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AL-KHAFRAH OUTLINES INDUSTRIAL DEVELOPMENT

Riyadh RIYADH DAILY in English 29 Oct 87 p 2

[Article by Furqan Ahmed]

[Text]

RIYADH, Oct. 28 — Analyzing the process of industrialization in the Kingdom, Deputy Minister for Industrial Affairs Mubarak A. Al-Khafrah has said that pragmatic planning has resulted in achievement of "remarkable results" in many fields.

One of the achievements of this policy is the great industrial landmark of which any government in the world could be proud of.

"We will continue our efforts in laying the foundations of civilization in every field until we change the vast arid deserts of our country into an advanced nation having modern capabilities for the welfare of the people."

This has been stated in a report by the deputy minister highlighting the performance of the current Fourth Development Plan (1985-90) in the industrial sector and the contribution made by the government and the private sector in shaping the nation into a modern and a welfare state.

Industrial development in the Kingdom, he says, can be considered as relatively novel vis-a-vis established commercial activities. The industrial structure is based

on two pillars. The first of these is the basic industries Sector that depends on hydrocarbons; while the second is the conversion industry sector.

The Kingdom's industrial production domain consists of the following:

First: Projects established and managed by the Saudi Basic Industries Corporation (SABIC) that are predominantly hydrocarbon oriented. Next in line is the heavy minerals industry. These industries require investment of considerable capital and involve massive power consumption. The materials resulting from refining oil and processing gas, are the raw materials for such industries. The petrochemicals manufactured by these projects are prime export products. SABIC industries are characterized by their highly developed technology. The factories are set up as joint ventures with foreign partners whose share capital may well vary, but which never exceeds 50% of the whole. These industries form what is known as the basic industries sector.

Second: Factories licensed by the ministry of industry & electricity and owned by the private

sector. Most of the projects within this sector were set up by loans from the Saudi Industrial Development Fund which made it possible to build factories. The products of these industries are intended primarily for the local market, where competition prevails under the aegis of free economy principles. The government grants private sector investors attractive financial incentives such as (i) leasing lands at nominal prices in industrial areas; and (ii) allowing the use of power supplies and utilities at reasonable prices. Loans are granted by the Saudi Industrial Development Fund and priority is given to national products when procurement is made for Government institutions. These are coupled with training grants and customs protection to some national products.

Third: Small factories (workshops) involved in repair work and producing commodities on a small scale are licensed by local municipalities and obtain commercial registration from the ministry of commerce or its branches.

Hence, the follow-up process with respect to the activities of these factories is not one of the responsibilities assumed by the ministry of industry. The financial requirements of such factories are limited mainly to the availability of operational capital and raw materials rather than their needs for equipment and installations. The financing of these factories is very often provided by the owners of such factories. Sometimes the Saudi Loan Bank grants such owners loans provided they agree to complete their training at the Public Institute of Technical Education and Vocational Training.

The report adds:

During the Third Development Plan period the industrial sector — with the exception of the activities of refineries registered an annual development average increase of 14.1% according to fixed prices. The contribution of this sector to the GDP increased from SR6.5 billion to SR13.5 billion, with the exception of the utilities sector, this sector has registered the highest rate of development among the other sectors.

Notwithstanding the increase industry's GDP contribution from 1.7% in 1400H to 3.8% at the end of the Third Plan, the industrial sector is still small vis-a-vis the international scale where the average GDP contribution of industries in the oil producing countries reaches 10%. The corresponding figure for newly industrialized countries is 18%, while in the industrial countries the figure is 28%.

Explaining the socio-economic aspect of industrial planning in Saudi Arabia, Al-Khafrah, in the report says:

Attention should be given to the development of Saudi society; to the provision of social welfare and health care for all; and to the support given to society's participation in the implementation of the programs of the Plan as well as in reaping the benefits of development.

It therefore becomes necessary:

1. To create in Saudi citizens an awareness of the objectives and requirements of development and the handling of the tools of development. This calls for:

— Information through the public media giving religious and social values to work as an impor-

tatnt and respectable activity in order to change attitudes towards certain occupations which at present are not acceptable to some people;

— The dissemination of culture by establishing museums and the preservation of historical and archaeological sites;

— The establishment of a national library with a collection of books and manuscripts which would include every Saudi author.

2. To increase the attention given to the handicapped and to introduce national programs for their rehabilitation and welfare.

3. To provide more care for all children in all fields, and at all levels;

4. To introduce compulsory military service;

5. To introduce some basic military subjects into secondary school curricula;

6. To expand anti-illiteracy and adult education programs;

7. To give more attention to local community programs based upon the effective participation of citizens in the planning and implementing of local projects;

8. To give attention to preventive medicine and health education; increasing the effectiveness of preventive and curative institutions in safeguarding the citizens; and to widen the scope of health programs;

9. To improve the capabilities of individuals to increase their income, thereby removing the resulting social imbalance;

10. To pay more attention to social welfare programs in all fields and to induce private sector participation by encouraging the establishment of yet more private benevolent societies;

11. To continue the development of environmental programs; and

12. To pay more attention to youth welfare programs; to develop the capabilities of young people; and to enable them to gain mental and physical skills in the fields of culture, science and sports.

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CSO: 44000010

ARAMCO'S ACCOMPLISHMENTS, CONTRIBUTIONS HIGHLIGHTED

Riyadh RIYADH DAILY in English 2 Nov 87 p 2

[Text]

RIYADH, Nov. 1 (SPA) — In line with the directives of Custodian of the Two Holy Mosques King Fahd, the Saudi government has set a goal for Saudi Arabia to reach a position in the forefront of advanced countries in the field of hydrocarbon technology, Petroleum and Mineral Resources Minister Hisham Nazer, has said.

ARAMCO has steadfastly progressed toward its prescribed goal of developing the nation's hydrocarbon resources, Nazer said in a preface to ARAMCO's latest annual report for the year ending 1986 and made available to the Saudi Press Agency here today.

"This growth has occurred concurrently with the development of qualified national work force that has participated at all levels, in all aspects of ARAMCO's operations," said Nazer, who is also acting planning minister.

Referring to the opening of the industrial maintenance complex and the refinery modernization project in Ras Tanura at the end of the year, he said it crowned ARAMCO's achievements in 1986 and showed the King's interest in following up achievements that had been realized by the Kingdom during the Fourth Five Year Development Plan under his leadership.

In line with the government's wise petroleum policy and the company's productive capabilities, Nazer said ARAMCO had optimized the use of its human and

material resources, while continuing to perform its basic functions. "It has accomplished this even in the face of difficulties in the international oil market," he added.

"Moreover, ARAMCO has sought to adopt pioneering programs to train and develop its Saudi personnel so that they might qualify for technical and supervisory positions and be worthy of running this huge technological edifice," Nazer said.

During the year, Nazer said ARAMCO implemented a number of important projects on schedule. The most significant of these, he said was the modernization of the Ras Tanura refinery.

"This entailed the construction of a new 250,000 — BPD crude oil distillation unit as well as the construction of a sulfur plant capable of producing 300 tons a day.

These facilities are equipped with the latest computerized control systems. The modernization project enhances the refinery as a local source for naphtha, kerosene, diesel oil, jet fuel, fuel oil and asphalt.

The project has also added new supplies of sulfur for export. Thanks to these state-of-art facilities, Nazer said the Ras Tanura refinery was now one of the most modern in the world, and it supplied about 50 percent of the local demand for petroleum products.

He said another ARAMCO accomplishment during the year was the expansion of the 1,200 km

east-west crude oil pipeline, whose capacity will increase from 1.85 million to 3.2 million barrels per day.

"In addition to this, ARAMCO's ability to produce nonassociated raw gas in the southern area of operations increased during the year to about 1.6 billion standard cubic feet per day, and its daily capacity to produce associated gas-cap gas increased to 0.4 billion standard cubic feet," Nazer said.

The petroleum and mineral resources minister also referred to ARAMCO's other continuing activities in other fields that reflect its concern for its employees and their families, particularly a high standard of medical care and extension of loans to its Saudi employees under its home ownership program.

Nazer said the company has continued to encourage the national economy, particularly in the Eastern Province and commended the spirit of diligence and perseverance of the company's employees.

He urged them to double their efforts to open new vistas in advanced technology and prayed to Almighty God for the Kingdom's continued security and prosperity under the leadership of King Fahd and his Crown Prince.

Other highlights of the company's accomplishments during the year was the opening of the ARAMCO training center in Ras Tanura by King Fahd, which is spread over an area of 22,000 sq.m. and is designed to enhance the company's overall maintenance training program.

The company continued to reduce costs by consolidating certain activities and further streamlined operations with the goal of achieving maximum productivity. It also worked to protect capital investments for future use, in the face of weak international demand for hydrocarbons, by undertaking long-term preservation work on facilities both onshore and offshore.

The government asked ARAMCO to expand exploration activities to the limits of its original concession area. The company began to assess seismic and aeromagnetic data received from various branches of the ministry of petroleum and mineral resources, along with other data to define potential hydrocarbons locations.

One of the world's largest sulfur-pelletizing and export facilities built and operated by ARAMCO at Jubail Industrial Port, started operations in October. It is capable of producing 4,000 metric tons of sulfur pellets per day.

Programs in industrial security and employee safety were strengthened and ARAMCO was honored for reaching more than 9.8 million man-hours without any disabling injury on the job at Ras Tanura refinery.

In the field of production and reserves, ARAMCO's crude oil production for purposes of export and local consumption averaged 4,689,800 BPD in 1986.

Recovery of NGL from hydrocarbon gases averaged 304,178 BPD and totalled 11,025,144 barrels for the year.

ARAMCO has produced approximately 52.7 billion barrels of crude oil since 1938, the year commercial production commenced in Saudi Arabia.

In 1986, the company produced 157,540,995 barrels of refined products and 1,238,679 metric tons of sulfur.

It has discovered 52 commercial oil fields and one commercial gas field since it began operations in 1933.

The remaining recoverable reserves in these fields are 167.0 billion barrels of crude oil and 135.8 trillion standard cubic feet of gas.

On the other hand, exploratory outposting and delineation drilling in 1986 extended the known Khuff formation gas reserves at the Haradh, Hawiyah, Shedgum and Uthmaniyah areas of Ghawar field, while oil reserves were extended at the Safaniya and Zuluf fields.

In onshore and offshore operations, 33 wells were completed in 1986.

The company's network of pipelines grew by 1,110 kilometers onshore and three kilometers offshore in 1986 to give ARAMCO, throughout its areas of operations, a total of 20,459 kilometers of network lines ranging up to 60 inches in diameter.

A five-year program to provide external corrosion protection for wells and flowlines was completed in 1986, with an additional 155 wells receiving cathodic protection.

A number of new oil and gas facilities in ARAMCO's northern area of operations was mechanically completed and accepted.

Nonassociated raw gas installed capacity was increased to 1.6 billion SCFD in the southern area of operations as the four-year Khuff gas project was completed.

In Yanbu, projects to bolster safety and efficiency were completed and commissioned at the Yanbu's NGL fractionation plant.

In 1986, the Ras Tanura refinery processed 142,411,544 barrels of crude oil feed. The three NGL plants at Ju'aymah, Yanbu and the Ras Tanura refinery processed 58,430,252 barrels of propane, 36,163,527 barrels of butane and 14,131,856 barrels of natural gasoline.

In the field of terminal operations, a total of 2,079 ships called at marine terminals at Ras Tanura, Ju'aymah and Yanbu to load crude oil, refined products and NGL produced by ARAMCO. Average turnaround time for all vessels during the year was 29 hours.

The company has also made good progress in marine, mechanical, transportation, roads, heavy equipment, computer and communications services.

It has conducted studies in the field of environmental protection and resource conservation.

On the other hand, the company's 11 clinics handled 1,447,307 patients in 1986 in providing health care to its employees and their families.

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USSR SIGNS TECHNICAL, ECONOMIC WATER DAM CONTRACTS

Kabul KABUL NEW TIMES in English 14 Oct 87 p 4

[Article by Nahid]

[Text]

Contracts on technical and economic ground works of construction of Ga' water reservoir dam across the Logar river and rehabilitation of irrigating system of Hazhda Nahr (canals) on the Balkh river have recently been signed in Kabul between the DRA and the Soviet Union.

"Over 138 kinds of construction equipment and engineering implements would be provided with the Soviet side to the Ministry of Irrigation and Water Resources during the next 18 to 24 months", said Mir Qutbuddin Quraishi, General President of Planning Department of the ministry.

Based on the preliminary studies of the ministry, Kabul citizens needed 1.95 cm/sec drinking water in 1984, while this figure would exceed to 7.5 cm/sec by the year 2000.

Accordingly, on the basis of urgent needs, it was decided to start the study of the construction of Gat water reservoir across the Logar river. This would be completed by the year 2000 with technical and economic assistance of the USSR, according to Quraishi.

He added that the construction of the dam had been discussed already in the sixth joint commission for technical and economic cooperation.

For the improvement of hygiene and environmental purposes, 1 to 1.5 cm of water would permanently be led to Kabul river through this dam, which is located in 13 km of Kabul city.

The repairing and reco-

nstruction work of Balkh river would also be carried out on the basis of this contract. The 18-canal on Balkh river is used in a traditional way. Water distribution did not take place in accordance with norms and in a fair manner. Lands in lower parts of the river were not irrigated well. With reconstruction of this irrigating system, 313,000 hectares of land would be irrigated and water distributed on the basis of agricultural norms.

Preliminary works of the said projects are undertaken by technical cadres of the Engineering and Project-Making Institute of the ministry

with the assistance of Soviet experts.

This institute was set up five years ago in the framework of the ministry. The designs of irrigating main projects like irrigating system of 18-canal on Balkh river, Khawja Alwan project, Kokcha project, diversion dam on the Kama river, diversion dam on Nahr Lashkari and other projects in the capital as well as in the provinces have been prepared by the institute.

With the setting up of an engineering system in the irrigation section, this institute has been able to provide certain documents and sketches which would assist other irrigating organs.

He added that presently as many as 366 persons (of whom 96 being engineers, 60 technicians and professional employees and 40 skilled workers) handle various jobs in this institute with the assistance of over 30 Soviet experts.

Talking about Gat project, Farida, an engineer in irrigation section said: "The shortage of drinking and irrigational water has been severely felt in Kabul and its vicinity in recent years due to successive drought in the country. To overcome this problem, the party and the government of the DRA decided to seek ways for its solution.

"After studying water resources of Kabul, Logar and Maidan Shar rivers, they resolved to start the construction of Gat dam across the Logar river. Taking into account the significance of the project, the Soviet side would render technical and economic assistance as well as send experts on the basis of protocols signed earlier.

"The project, whose

ground works are jointly carried out by the Afghan and Soviet experts has a capacity of 430 to 550 million cm water", she added.

"The reserved water in this dam prepares the ground for irrigating of 12 000 hectares of land. The reserved water of the dam would certainly contribute to underground waters of Kabul and its vicinity", Farida concluded.

(By: Nahid)

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CSO: 46000012

TRADE VENTURE WITH NICHIBU OF JAPAN REPORTEDLY SUCCESSFUL

Kabul KABUL NEW TIMES in English 8 Oct 87 p 4

[Article by Bahanat]

[Text]

A joint Afghan-Japanese enterprise, Afghan-NICHI Ltd., was set up on February, 4, 1982 according to the trade charter of Afghanistan with an initial capital of 100,000 dollars and paid-up capital of 200,000 dollars. The capital is equally shared by the Afghan side and its Japanese counter part.

The Afghan partners include Chamber of Commerce and Industries, Afghan CART and Afghan Handicrafts Export Promotion Enterprise while the Japanese partner is NICHIBU trade enterprise. The Afghan-NICHI Ltd. has two offices-one in Kabul and one in Tokyo headed respectively by an Afghan national and a Japanese enjoying equal rights and powers from the viewpoints of administration, trade and accounting procedures.

In short, the enterprise has been set up with the aim of easing the process of signing trade agreements between Ja-

pan and Afghanistan on selling Afghan goods in Japan, purchase and import of Japanese goods by this country.

Afghan-NICHI Ltd. does not import or export goods, but serves as a mediator in marketing for Afghan goods and processing offers of Japanese goods to Afghan state enterprises as well as private traders. Its earnings come from the commission it earns from acting as a middleman between the various traders on two sides.

Afghan-NICHI helps institutions and individual traders in receiving offers for the import of goods; the customer then imports the commodities through Afghan NICHI after accepting the offer made.

Ever since its establishment, the enterprise has helped in export of Afghan goods like, carpe-

ts, wool, Lapis Lazuli, handicrafts, licorice and leather products valued at over four million dollars to Japanese markets. In turn, Japanese goods worth 16 million dollars like tyres and tubes for vehicles, TVs, electric and electronic equipment, cloth, etc. have been imported in the country.

Commenting on Afghan goods which have fancied the bazaars in Japan, Fumiaki Tashima, the Japanese director of Afghan NICH I Ltd. who came here recently told a KNT reporter: "Among Afghan exportable items, there is a good market for licorice in Japan. But we expect the export wing of the Commerce Ministry of the DRA to focus attention on quality, packing and timely forwarding.

"Our enterprise suffers from some problems

in export as well like non-standardization, processing, sorting and packing of Afghan goods according to international norms, as also hardships in transport and timely delivery of goods. We hope the shortcomings are tackled forthwith.

"According to the procedure common in Japan, Japanese companies do not directly sell their goods, but supply them to world markets through an agency to which commission is paid in return for the services rendered. For instance, Japanese goods, valued at 120 million dollars, are annually exported to Afghanistan by the above agency.

"Suppose the goods are imported to Afghanistan by Afghan-NICH I, the latter will earn 3.6 million dollars, which will be a good turnover for both the partners of the enterprise".

(By Bahamt)

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CSO: 46000012

FOREIGN INVESTMENT ENCOURAGED TO PROMOTE ECONOMIC GROWTH

46650001 Kabul HAQIQAT-E ENQELAB-E SAWR in Dari 14 Oct 87 P 2

[Text] In today's world the continuous technical, scientific and economic development together with the mutual divisioning of work on an international level among the countries occupies a great significance. There is no country in the world that can secure its national economic needs without having any commercial or economic ties with other nations.

Afghanistan as a developing country after the victory of the revolution began to move on the road to progress, and for the purpose of attaining and expediting its national economic progress and development it has been in dire scientific, technical and economic assistance from other countries. It is for this reason that the government of the DRA from the very beginning, with due consideration to mutual interests, has been interested in maintaining an extensive economic relation with most of the countries of the world, particularly our neighboring countries, despite their social and political systems.

Under the present circumstances when our revolutionary government and party, in order to stop the war and secure a nation-wide peace, which is the necessary and main condition for reconstructing our country, are successfully implementing the policy of national reconciliation. At this time establishing of economic relations and attracting the cooperation and collaboration of other developed nations seems to be more than ever before significant for advancing our great industrial projects and other infrastructural establishments. Since by securing a nation-wide peace the proper grounds for implementing great projects in various fields of industry, agriculture, irrigation, transport and road construction, exploitation of mines, construction of dams, etc.--which comprise the basic and necessary condition for the creation of a progressive society--will be made possible for our hard-working people. Installation and operation of such vast establishments call for importing of the necessary technology and activating of a large amount of capital investment together with a vast array of experts and specialists, which our country cannot achieve singly; therefore, it is necessary to utilize foreign assistance and capital investment in various national economic fields, on condition that all the investments and other economic assistance are based on the principle of mutual economic interests, irrespective of any political motives.

This matter which has frequently been reflected in the various proclamations, documents and statements made by the leaders of the government and party, has

also been put clearly to the public referendum, both inside and outside the country, through the constitution of the DRA and thus it has been given a legal status.

Part of the 27th article of the second chapter of the DRA's constitution states: For the purpose of national economic growth, the government permits foreign investment in the Democratic Republic of Afghanistan according to the law.

Hereby it becomes quite clear that the DRA, with proper recognition of the facts in the present era, does not seek an isolated economy; but based on the principles of cordial relations it seeks extensive economic-political relations with other countries, thereby wishing to have active participation in the world markets and equal division of labor. However, as it is quite evident to all, after the victory of the national and democratic Saur revolution, the imperialist countries with the United States at their head, by adopting a hostile position toward our country, limited or completely stopped their economic and commercial relations and other forms of assistance to our country. Thus they tried to force Afghanistan into isolation from the world economy and other international markets. Fortunately, they did not succeed in their attempt. At present, despite all the efforts by some of these nations, Afghanistan has extensive political, economic and commercial relations with other countries in the world. There are several factories and firms throughout our country which are partially financed by foreign investment. Our national economy benefits from the activities of such establishments and their products meet part of the basic needs of our people. For instance, here we can name some of the firms like Afghanistan Hoechst where the West German Hoechst Company has made partial investment, or other similar firms like Boot-Ahu plant which is also partially financed by Vidmer-Pagani of Switzerland, the multi-commercial company of Afghanistan and Japan [Afghan-Nichi], Afsutar Transportation and Shipping Company which is partially financed by the Soviet Union, the Afkara Institute in which Czechoslovakia has partial investment and other multi-commercial firms like Afturg and Aftantu which are mutually financed by our domestic businessmen and the Soviet Union.

The DRA, with due regard to the obvious needs and necessities is interested in expanding its economic relations with all the countries of the world, irrespective of their social and political systems. We like to carry on such relationship based on the principle of mutual economic interest and attracting foreign investment for the purpose of enhancing the growth of our national economy. Our government permits foreign investment according to the law, and similarly provides facilitating means for those establishments which show active interest toward foreign investors and guarantees their immunity versus the law, on condition that their activities benefit both parties and is not motivated by political intentions.

PRIVATE SECTOR'S ACTIVITIES ALLOWED TO EXPAND

46650005 Kabul HAQIQAT-E ENQELAB-E SAWR in Dari 21 Sep 87 P 3

[Text] The government of the Democratic Republic of Afghanistan extends its complete support to the domestic investors and private entrepreneurs versus the monopolistic imperialist competition and at the same time it pays great attention to the private sector's activities in order to strengthen the growth of our national economy.

Until now 407 projects have been assigned and registered for completion in the central province, while 106 other projects have been slated for other provinces with a total investment of 8.7 billion afghanis. Of the above-stated total about 231 projects of the central province and 25 projects of other provinces have become operational. Furthermore, during the current year 50 more projects are slated for completion too.

For the purpose of reviving our country's economy, the revolutionary party and government, more than ever before, have prepared the grounds for private sector's activities. We can readily say that after the first session of the 18th plenum, the PDPA Central Committee has slated about 164 small and medium-size projects, with an initial capital of over two billion afghanis for construction by the private sector in the areas of metal-working, foodstuffs, carpet-weaving, construction, cardboard container manufacture, processing of furs and tanning.

In the social and economic development plans of the current year for the growth of the private sector's share in the national economy, in the farming sector the revenue of the Gross National Products have been projected to be an equivalent of one billion afghanis which in comparison with the previous year shows over two million afghanis increase in the farming sector alone. Likewise, the gross revenue of the private sector during the current year has been predicted to reach beyond 39 billion afghanis--in this area in comparison with the similar period of a year ago we notice a nine percent increase in the growth of industrial production and about three percent rise in the growth of handicraft industries.

For the purpose of encouraging the private sector in the area of exports and imports certain facilitating measures have been considered by the government for private entrepreneurs. For instance, during the previous year there was a considerable increase in the export of raisins, wool and hides by the private sector--this increase can be estimated to stand between 30 to 75 percent. In

the various social, economic and cultural areas the people of Afghanistan have benefited from the brotherly cooperation of the friendly government of the Soviet Union and the result of this friendship has been manifested in the activities of the private entrepreneurs and other domestic investors.

During the last two years 122 merchants together with 31 other production plants belonging to the private entrepreneurs have exported their products to the Soviet Union, and so far the number of companies which have export relations with the Soviet Union stand at 111 units. One of the significant measures which has been adopted by the government for the comprehensive growth and strengthening of the position of the domestic merchants and entrepreneurs is the creation of the two mutually-owned Afghan-Soviet companies of Afturag and Aftanu which will become active very soon. The main shareholders of these two companies from the Afghan side comprise the Chamber of Commerce and Industries of the DRA and some other domestic merchants. With the start of operation and activities of these two import and export companies which are one of the largest of the mutually-owned companies major portion of the needs of the people will be met at reasonable cost.

Similarly, for the first time in the exchange protocol during 1987, export of carpets with an equivalent value of five million dollars by the Afghan private sector to the Soviet Union has been considered, and in a like fashion it has been suggested to import a certain quantity of sugar, flour and fuel which have been traditionally in the monopoly of the government, by the domestic merchants and sell the same at reasonable prices to the people throughout the country.

The friendly country of the Soviet Union, for the purpose of encouraging the participation of the private sector in the industries, has agreed to make available long-term loans of 50 million rubles at an annual interest of three percent to the domestic entrepreneurs so that they can use these credits toward purchasing machinery, spare parts, equipment and other essential raw materials. Right now the government of the DRA has undertaken great steps towards expanding the activities of the domestic entrepreneurs and with the realization of these beneficial measures and the expansive cooperation of the government by the end of the current 5-year plan, the share of the private sector in the national revenue in comparison to 1365 [21 March 1986 - 20 March 1987] will increase by 17.6 percent.

12719

ELECTRIFICATION EXPANDING TO SMALL VILLAGES

46650002 Kabul HEYWAD in Dari 12 Oct 87 pp 1, 2

[Text] Production and utilization of sources of energy towards the growth and blossoming of the industry in our dear country of revolutionary Afghanistan during the years after the victory of the revolution have expanded comprehensively.

Today, in all the sources of energy and particularly in the field of electric energy, an all-out effort is underway to enhance the production level. Toward this end not only the networks of production and distribution of electric power have been growing in the central province, but also throughout the various provinces of the country as well, so that this source of energy could improve the quality of industrial services and provide electrification for all. In order to make our readers more familiar with the progress of these networks we have prepared a report from the power department of Balkh region--an affiliate of the Ministry of Energy--which will appear below.

The second unit of Barashna power department of Balkh region which is an affiliate of the Ministry of Energy, in addition to providing the two regions of Faryab Barashna and Khalam Barashna with electric power also provides the electric power needs of the Balkh district and that of Mazar-e Sharif as well.

The major power production of this unit is derived from the hydroelectric substation of Surkhan by way of Uzbekistan of the Soviet Union which provides the necessary thermal energy for the Mazar-e Sharif fertilizer and power plants and six other diesel generators of Meymaneh city. This power station singly provides the electric needs of subscribers of Mazar-e Sharif city, Balkh and Khalam districts, other villages like Khaseh Paz, Tukhteh, Posht-e Bagh, Hazar Jarib, Qalah Qol Mohammad and Dehdadi district.

During 1365 [21 March 1986 - 20 March 1987] the following developmental activities took place:

- Expansion of power network of Khaseh village of Nahr-shahi district through installation of one transformer with 160 kilowatt-ampere capacity.
- Expansion of power network of Posht-e Bagh village of Dehdadi district through installation of two transformers with a total capacity of 320 kilowatt-ampere.

According to knowledgeable sources from the power department of Balkh Barashna region, about 80 percent of the electrification project of Katah Solh and Shirabad village of Dehdadi district have been completed. This development shows 60 percent more than the projected plan.

Despite all the progress the electric power department of Balkh Barashna is in dire need of technical and professional personnel in its sub-stations and similarly its accounting department needs the services of expert accountants as well. The graduate students of Polytechnic Institute and other similar professional schools ought to be attracted to join the aforementioned department.

12719

CRAFTSMEN'S ROLE IN ECONOMIC ACTIVITIES GIVEN BOOST

46650003 Kabul HAQIQAT-E ENQELAB-E SAWR in Dari 1 Oct 87 P 3

[Text] With the initiative of the PDPA, during the beginning of the current year the first comprehensive conference of the domestic entrepreneurs was held in Kabul and based on the decisions and resolutions of this conference the private sector's work was given a shot in the arm. Likewise, the beneficial relations between the government sector and that of the private sector was expanded accordingly. At the same time the popular party and government came to notice that another major social stratum which has had a significant role in the realization of national reconciliation and the growth of our national economy and production of basic goods need to be supported by the government alongside the domestic entrepreneurs.

It was decided by the Political Bureau of the PDPA Central Committee that during the current year to hold the first Congress of the Craftsmen of the DRA and today this magnificent congress will be inaugurated and it will make constructive decisions with regard to improving the work and activities of the country's craftsmen.

The national economy of the DRA is a multi-faceted system of economy. One of the economic systems of the country is the production of small and simple products in the towns and villages. The total share of production of this category in the private sector's gross industrial products is more than half. The producers are the proprietors of the equipment and they work together with their family members or in some cases they utilize the services of the apprentices and more skilled professionals. The products of this group of producers in addition to meeting part of the needs of the families are also presented for sale at the local, national or even the international markets.

In the past for various reasons, there were obstacles in the way of transforming the small household industries and crafts into large national industries and consequently a great number of such industries faced bankruptcies. Moreover, the trade industries of the country so far have not been able to establish a close relation with the local investors and the craftsmen's workshops have not been enhanced to the level of simple cooperatives.

In the 1930's the handicraft industries totally perpetuated its workshop characteristics. The activities of a few such workshops was restructured with proper reinvestment, but as a result of their lack of interchange with international

markets many of them were driven out of business.

In the 1940's the new type of investment which mainly comprised of home workshops worked alongside the textile plants and produced their raw materials, dyes, rayons and similar other products. In the 1950's and 1960's the field of production for tradesmen took an extensive leap and as a result by the beginning of 1970's a large segment of the craftsmen were transformed to industrialists.

In the press and mass media of the nation the term for craftsman and the related activities of those of handicraft artists are used incorrectly. Here it should be explained that skillful hands of the craftsmen produce commodities which are bound for the market while handicraft artists produce certain goods for individual customer or consumer. The former works in conjunction with the industrial workshops and manufacturing plants and their products are in vast demand while the activities of the handicraft artists still remain in its primitive stage. There are certain handicraft artists in various cities whose workshop bespeak precisely of their profession. In this category one can name the coppersmiths, the carpenters, the blacksmiths, the turnery shops, the tin-smiths, the tanners, the tailors, the hat-makers, the bakeries and so forth. In the last few years the products of some of the handicraft artists have been diverted toward a simple stage of cooperative investment and in certain other areas such as the boot-manufacturing, tailoring, furniture-making, dry-cleaning, the workshops for repair of technical instruments, etc., some changes have taken place. In some of the abovementioned workshops there is a division of work while the number of workers have increased and production equipment and machinery are being utilized. Here it should be noted that some of the small producers of goods have been transformed into home-base workers and the result of their work brings handsome benefits to their investors.

Unfortunately, as a result of a lack of attention by the responsible officials many of the products of the handicraft artists have become totally extinct and many of such artists have turned to other professions for earning a living.

The stance of the PDPA with regard to the handicraft artists emanates from a decisive struggle against imperialism and is aimed at transforming and developing our democratic society. In all the government and party documents there is a mention of the benefits for the handicraft artists. Our handicraft artists as a moving force of the revolution are not only able to participate in the struggle for victory but the very evolution of the national-democratic revolution and its final victory will bring about a condition conducive to the development and blossoming of the handicraft artists and other craftsmen and bettering of the living conditions of the small producers.

The handicraft artists whose number reach over three hundred thousand alongside the young workers and farmers comprise the main force of our revolution. Comrade doctor Najibullah, general secretary of the PDPA Central Committee and president of the Revolutionary Council and chairman of the DRA Revolutionary Council,

in the 20th plenum of the PDPA Central Committee stated: With due consideration to the prevailing conditions and the policy of the national reconciliation, the role of the private producers and other retail manufacturers in the farming industry will have a promising future--a factor which will necessitate mutual relations between the government and the producers and in the long run it will be beneficial to the society as a whole.

Our handicraft artists in general have specific problems. Right now many of the basic items such as raw materials, fuels, accessories and other production equipment do not reach them in time. Their financial and economic condition is very poor, many of their products do not find their proper market and likewise there are certain difficulties in the way of marketing and research. In a similar fashion, there is no precise statistical survey for the business of handicraft producers so that according to its findings the handicraft artists could base and balance their financial and human needs or government could base its appropriate decisions on such findings.

Among the articles or products produced by our handicraft artists: Gelims and felt floor covering occupy a top position. These products which are woven by the delicate and artistic fingers of our children, women and men, knot by knot, are all world famous. Our women have an active share in this area, however as a result of inadequate raw materials and dyes their production volume is low. Furthermore, the existing capacity and possibilities of our present workshops of carpet and gelim weaving are not fully and scientifically utilized. On the other hand, quick production and utilization of cheap raw materials have endangered the quality of Afghan carpets. It is deemed necessary that proper decisions should be made with regard to improving the quality of Afghan gelim and carpets and providing proper materials and enhancing the work and living conditions of the weavers. The skillful masters and craftsmen ought to be encouraged and supported seriously by the government. With due consideration to the new method of work, proper solutions should be sought and investigated. Likewise, appropriate practical assistance should be extended toward active participation of the handicraft artists for the purpose of strengthening our national economy and transforming such artists into active forces for the national reconciliation policy.

Our country's handicraft artists ought to be organized into guild unions with proper cooperatives and through such unions the production, social and economic activities of the individual handicraft artists or those of the workshops should be regulated. Furthermore, through such organization it is possible to effect forceful work habits, increase production, improve quality, provide necessary raw materials, secure proper work regulations, improve social and living conditions and skills of our handicraft artists.

The first session of the handicraft artists' congress and creation of pertinent unions will undoubtedly provide the necessary impetus in their work and activities and it will likewise have other positive effects as well. Since membership in the craftsmen cooperatives and unions would be voluntary, in the beginning

there is extensive need for training, publicity and orientation of the people.

The handicraft artists of the DRA welcome holding of their first congress and they make every effort to insure the success of this meeting. As true patriots they've understood that the measures taken by the popular government and the party would be beneficial to them and they march ahead under the banner of national reconciliation. Let's hope to see that an atmosphere of work and peaceful activities prevail in the workshops of these artists and in the market-place the precious products of these handicraft artists are much in demand and in various other handicraft artists' establishments throughout the country a peaceful and creative environment dominate all.

12719

AGENCY REPORTS ERSHAD INTERVIEW WITH LOCAL WEEKLY

46001073 Dhaka THE BANGLADESH OBSERVER in English 10 Oct 87 pp 1, 8

[Text]

President Hussain Muhammad Ershad has said the so-called programme of the Opposition political parties to gherao Dhaka on November 10 has proved their irresponsibility and lack of respect for democracy, reports BSS.

In an interview with the local vernacular weekly "Bichitra" published in its current issue, the President said during the floods this year, the people had identified who were their friends and who were their foes.

He said the people wanted peace and they did not want chaos and indiscipline and if anything happens, they themselves would face the situation. In this connection, he pointed out that most of the Opposition political parties had already proved their irresponsibility and insincerity towards democracy.

President Ershad regretted that when the country had been facing an unprecedented floods, these political parties instead of standing by the side of the people were trying to create obstructions on the way of carrying out the relief and rehabilitation programmes.

The President said on such occasions, the government could not play the role of a silent spectator and reiterated that if hindrances and obstructions were created on the way of post flood rehabilitation programmes of the government and attempts were made to create frustration in public life, he would be bound to take measures as outlined in the country's Constitution.

He said none would be allowed to play with the fate and miseries of the people. He said the people would resist the Opposition programme of November 10 because they knew that it would go against their interest. The

people had understood that the Opposition wanted to shift their responsibility on the people because of weakness in parties and lack of unity in alliances, he pointed out.

President Ershad said the government would stand by the people because our aim was to ensure normal life for the people.

He said previous three governments had brought about basic amendments in the Constitutions but his government had not done any such amendments despite demands from many quarters to do so. He said he had refused to amend the Constitution insisting that the people had given him the responsibility to preserve this sacred document.

The President said he had no jurisdiction to amend the Constitution and it could be done only by the elected representatives of the people. He said when he took over the responsibility he had made it clear that the responsibility of amending the Constitution lay with the Sangsad only and not with him. "I still believe in that statement," he said.

He said politics could not be institutionalised because it was under confinement before the independence and immediately after the independence. He said now his government was active to provide the politics with an institutional structure and keeping this in view, we had been making efforts to establish politics of development, peace, discipline, stability and prosperity instead of the politics of hartal, gherao and statements.

President Ershad said in order to institutionalise politics, we had given free, fair and impartial elections from grass root to highest levels. We have brought about a auspicious change in politics, he said expressing the confidence that the new politics introduced

by the present government would be institutionalised.

Ties with India friendly

The President said Bangladesh had good neighbourly and friendly relations with India. But, he said, there were some unresolved issues between the two countries like sharing of waters of the Ganges and Chakma refugees staying in India. "We have been making efforts to solve these problems peacefully and through understanding", he said.

He said the opinion that the enthusiasm with which the SAARC was launched was on the wane was not correct. On the other hand, he said what the SAARC had done in two years, other such cooperative organisation could not do that even in 10 years. The areas of cooperation among the SAARC countries had been extended to 13 at present, he said. He hoped that the areas of cooperation would be further expanded in the forthcoming SAARC summit in Kathmandu.

President Ershad said although there was no scope of raising bilateral issues in the SAARC forum, but it was now clear that the bilateral relations between the member countries had strengthened in the spirit of SAARC and gradually a peaceful atmosphere had been creating in the region.

He said he was not against student politics, rather against the tailism of political parties. Previously student politics was different as the students used to come forward at the time of national crisis, he said.

/13046

MINISTER DETAILS FOOD LOSSES FROM FLOODING

46001074 Dhaka THE NEW NATION in English 11 Oct 87 pp 1, 8

[Text]

Three months of flooding, preceded by a partial drought, have caused Bangladesh a loss of 3.4 million tonnes of food crops worth an estimated Tk 3627 crore. The loss includes three million tonnes of rice worth Tk 36,22 crore.

Stating this, Minister for Agriculture Mohammad Mahbubuzzaman told newsmen yesterday that the government had launched a comprehensive agricultural rehabilitation programme to recoup the losses.

The programme envisages free distribution of Tk 32.4 crore worth of vital seeds and fertiliser among 2.2 million families owning less than three acres of farm land each to raise winter crops, he said.

The programme for distribution of seeds and fertiliser stipulates that each farm family will receive 12 kg of seeds, 21 kg of urea, 21 kg of TSP and 9 kg of mureate potash per acre.

About other crop losses, Mr Mahbubuzzaman said that the floods have destroyed 206,000 bales of jute and 315,000 tonnes of other crops, mainly vegetables.

The agriculture minister said that the farm recovery programme aimed at raising the overall output and meet the losses in the flood affected areas in 390 out of 460 upazilas of the country.

The agricultural rehabilitation programme is expected to help recovery of about 1.2 million tonnes of food crops bringing the shortfall down to 2.2 million tonnes this year, the Minister added.

These will include an additional production of 735,000 tonnes of crops during the Rabi season.

Apart from it, incentives are being provided to the

farmers in the form of two season moratorium on agriculture credit. Out of Taka 1075 crore, Taka 700 crore will be disbursed among the peasants in the Rabi season, he said.

The Agriculture Minister said that the production target of the current fiscal year was 17.5 million tonnes of food from 28 million acres.

The flood and drought had damaged 3 million tonnes of rice out of the total losses of 3.4 million tonnes of food crops.

The Minister said that rehabilitation programme taken up by the government is expected to recoup 6,37,000 tonnes of transplanted aman, 4,40,000 tonnes of boro and 1,20,000 tonnes of wheat.

Explaining the rehabilitation programme, taken up by the government to offset the huge losses during the three successive floods this monsoon and 362,000 tonnes of Aus Rice destroyed by partial drought before the deluge the minister said there will be no shortage of funds for this. The Finance Ministry has agreed to meet the bill he said and added that the BADC and upazila parishads, will be the executing agencies of the rehabilitation programme's free distribution side. Farmers will present vouchers to BADC and the money will come from the government and upazila ADP funds to finance the seed and input distribution programme.

The minister said that the recovery programme includes repair and overhauling of 20895 deep tubewells damaged by floods and repair of 267 pump houses. Besides 3,000 low lift pumps will be provided on rent and 10 pumps will be kept ready in every upazila for free supply of water in the event of a dry

spell in the winter, he said and added that such possibilities are bleak.

The minister dismissed any possibility of food crisis in the country in view of the losses. He hoped the prices will come down soon with the new harvesting of crops. When prices showed upward trend we resorted to open market sales which brought down the prices particularly those of the coarse rice, Mr. Mahbubuzzaman told a questioner.

He added that test relief and vulnerable group feeding programme of the government has been intensified to help the flood victims.

/13046

AGENCY REPORTS ON FLOOD VICTIMS, AID RECEIVED

46001072 Dhaka THE BANGLADESH OBSERVER in English 9 Oct 87 pp 1, 8

[Text]

Bangladesh has so far received aid commitments and assurances of over 90 million U.S. dollars in cash and kind from over 40 friendly countries, international agencies and voluntary organisations, reports BSS.

The Flood Situation and Relief Activities Monitoring Cell at the President's Secretariat, however, said till October it has received external relief commitments to the tune of 85.7 million U.S. dollars in cash and kind. Of this, an amount of 4.598 million dollars is in cash, 60.187 million dollars in the form of foodgrains (rice, wheat and flour) and rest 20.915 million dollars in other forms like foodstuffs, medicine, cloths and others.

Meanwhile commitments and assurances of over 4.5 million dollars in cash and kind from Canada and Kuwait were received on Wednesday bringing the total external commitment figure to over 90 million dollars.

The external food aid commitment are 1,32,000 metric tons of rice and 2,45,440 tons of wheat and flour including 25,000 tons wheat just received on Wednesday. Some of the assistance were received by the government, while others were made through Bangladesh Red Cross Society.

To expedite relief operations Iraq has provided helicopters and Italy intimated that by the middle of next month it will send four transport helicopters to carry on relief operation, sources at the cell said. Federal Republic of Germany has provided five medium sized speed boats to ply in shallow waters to ferry relief materials.

The three-month flood, which has ravaged almost two-fifths of Bangladesh, has witnessed the visits of at

least seven delegates from friendly countries, agencies and voluntary associations to see the extent of damage caused by the natural calamity.

Delegations and teams from Belgium, Kuwait, Libya, Maldives, UAE, the Asian Development Bank, World Bank, Swiss Red Cross and German (FRG) Red Cross visited the flood affected areas.

Essaffi's visit recalled

Besides the delegations from abroad, most of the foreign Ambassadors stationed in Dhaka, high officials of the UN system working in Bangladesh and Mr. Essaffi, special envoy of UN Secretary-General and Chief Coordinator of UNDRO, also visited flood-hit areas.

The sources said so far a total of 59 aircraft from six countries carried relief materials. Saudi Arabia with 27 such flight tops the list. Other countries whose aircraft brought relief materials are: Kuwait (14 flights), Iraq (11 flights), UAE (four flights), Turkey (two flights) and Indonesia (one flight).

Relief materials received from home and abroad are being depatched daily by air, rail, road and riverways, the sources said. The five Iraqi helicopters so far made 150 airdropping of foodstuffs, the sources added.

According to the latest figures available with the cell nearly Taka 10 crore have been received locally by the Relief Fund from people of all walks of life including expatriate nationals and organisations. Besides cash, substantial quantity of medicines, foodstuff, clothings and baby food were also received as donations towards relief fund within the country.

The sources at the cell said, so far, Taka 7,91,80,090 in cash has been given as grant and 12,15,481 maunds of wheat have been distributed free among the affected people. Of the disbursed cash, Taka 2,43,69,500 were given by Bangladesh Red Cross Society.

To alleviate the sufferings of the distressed people affected by the worst flood in 40 years, the government has earmarked 75,84,383 maunds of wheat under special Vulnerable Group Feeding Programme and special Test Relief Programme, the sources said. Besides 3,44,762 pieces of sarees and lungis, large quantities of other foodstuff, medi-

cines, cooking set and 13,615 bundles of C.I sheets were sent for free distribution.

Bangladesh Red Cross Society which received contributions from 19 Red Cross and Red Crescent Societies, three governments and from Bangladeshis in Saudi Arabia, distributed over 56 thousand sarees and lungis, over 89 thousand old and

other clothings and over four thousand cooking sets among others.

The flood which has affected 2,87,76,111 in 50 districts according to the latest information reaching the cell, has so far claimed 1,608 lives, most of which (1,153 persons), however, died due to diarrhoea and gastrointestinal diseases. Diarrhoea and intestinal diseases which has broken out in the aftermath of the recession of flood water, has stricken 8,38,645 all over the country. During last 24 hours 12,830 fresh cases of diarrhoea were registered and 44 deaths recorded. The sources said 2,406 medical teams are working in the affected areas.

The cell sources said nearly one hundred non-governmental organisations, both local and foreign, are now active in relief and rehabilitation activities. According to one statement received by the cell, 31 NGOs have taken up relief and rehabilitation programmes till October 4 with a tentative budget of Taka 1,57,08,408 that would benefit over 92 thousand families in flood-hit areas.

/13046

COMMENTARY DETAILS INDIAN POLICY TOWARDS AFGHANISTAN

Bonn DIE WELT in German 31 Oct/1 Nov 87 p 5

[Article by Peter Dienemann, New Delhi: "India Slowly Shifts Its Posture Towards Kabul"]

[Text] 'Not likely': So commented diplomats of the seven member-countries of the South Asian Area Regional Conference (SAARC) about Afghanistan's desire to join the 2-year-old federation. A summit meeting of the member countries under India's leadership begins in Katmandu (Nepal) on Monday.

Pakistan's President Zia-ul-Haq stated publicly that Afghanistan's entry into SAARC is out of the question. It is also unlikely that the other member countries would give way to possible Indian pressure and support Afghanistan's admittance.

India's Afghanistan policy has been largely neutral towards the Soviet invasion, at least since the return of Prime Minister Indira Gandhi to power in 1980, several months after the Soviet invasion of 27 December 1979. Regard for close Indian-Soviet relations is clear in this policy. At all international forums up to now, India has taken the position that it is against any interference in the country's internal affairs and has denounced both East and West equally. During his most recent visit to the United States, however, Rajiv Gandhi for the first time spoke out in favor of a free Afghanistan, and thereby against the occupying forces.

Guidelines for Indian-Afghan policy were set out with India's independence in 1947 and the subsequent partition of the country. From first premier Jawaharlal Nehru to Rajiv Gandhi, India has maintained close political relationships with the Hindukush State primarily with an eye towards hostile Pakistan, so that political--and possibly also military--pressure can be applied from two flanks. Indian calculations see the constant unrest in the Afghanistan-Pakistan border area as helpful.

In the 1960's and 1970's, up to the Soviet invasion, the two countries worked closely in both the economic and military arenas. First of all, India trained Afghan officers in India. After 1980, though, the number of officer-trainees was greatly reduced and economic relations suffered. Certainly there

are also historical ties between the two countries. Even today there is an approximately 100,000 member strong Hindu Society in muslim Afghanistan. As early as 5,000 years ago, the Indian Vedas mention 'Aryana', the Land of the Eagle, which, in the first century, gained importance for India as the mediator between East and West, between Persia and India. Russia and Great Britain competed for influence and later annexation of Afghanistan.

The 5,000 Afghan refugees in India, who are not officially recognized as refugees, but rather accepted for humanitarian reasons as 'guests', readily refer to the historical bonds of their lands: 'Politically, India stands only half-heartedly behind us, but as humans we feel ourselves united. We are completely free here; they like us'.

/8309

CSO: 46200009

COMMENTARIES SAY MARXISTS CONTROL KERALA PRIVATE SECTOR

Temple Administration

46000008 Cochin THE WEEK in English 11-17 Oct 87 pp 42-43

[Article by P. Aravindakshan]

[Text]

A well-equipped hospital built by the Guruvayoor Devaswom at a cost of Rs 30 lakh has been lying idle for the last two months. The 100-bed hospital, funded from the temple coffers, was intended to serve the people of Guruvayoor and the devotees who throng the pilgrim centre. However, it has only a few compounders and nurses, no doctor. A request from the temple managing committee to the government to depute a doctor evoked no response for four months.

This is just one instance of the continuing conflict between the Left Democratic Front government led by the CPI(M) and the temple managing committee, dominated by the nominees of the previous Karunakaran government and headed by a Congress(I) MLA, P.T. Mohanakrishnan.

Nearly 3,000 applicants were called for a written test a few weeks ago for the posts of two clerks. But the test was abruptly cancelled as the government forbade fresh appointments by the managing committee. Several other requests by the managing committee for the creation of new posts in works, electricity and water supply sections were met with a cold frown from the government.

The government's action was, in a way, justified. There had been numerous allegations of corruption and nepotism against the temple committee. But the committee insists that the government's "politically motivated action" was a violation of the law.

According to the committee, once the staff pattern and the establishment schedule were approved by the devaswom commissioner, the designated governmental authority under the law, the committee was free to act on it without government intervention.

The latest confrontation gave a fillip to the campaign for revamping the administrative set-up of the temples in the state. A number of devotees' organisations and a group of sanyasins have been demanding that the administration of temples should be entrusted to worshippers' organisations, and should be freed from government intervention. Backing this demand vociferously is the Hindu Munnani, which talked of an agitation.

The atmosphere was further vitiated following Marxist Finance Minister V. Vishwanatha Menon's proposal that a part of the Guruvayoor Devaswom funds be transferred to the National Savings Scheme. The temple, which had only a deposit of Rs 56 lakh when it was taken over by the government in 1971, now has Rs 12.5 crore in fixed deposits alone in various banks.

This move was objected to in some quarters on the ground that the investment in national savings would be the prelude to a transfer of the funds from the banks to government treasuries. In effect, the temple committee would be at the mercy of the government for funds. It was noted that, on a number of

occasions, the surplus funds of autonomous bodies were similarly locked up in the treasuries.

All the same, a sense of urgency is being lent to the clamour for a review of the administrative set-up of the temple because it has been dogged by controversies, though most appear motivated. The committee, set up under a 1978 act of the legislature, consists of nine members, five of them nominated by the government. Besides the Zamorin of Calicut and Mallisery Namboodiri, who were hereditary trustees of the temple before the takeover, the *tantri* who is the final arbiter of the rituals and traditions of the temple, and a representative of the 1,000-strong temple employees, are on the committee.

Since the powers of nominating the majority of the members are vested in the government, the constitution of the committee has become politicised, though the previous government had included a couple of eminent non-controversial persons also in it. The LDF's urge to gain control of the administration is then understandable. And the allegations listed below came in handy for the new government to apply the checks to the existing committee itself without waiting for the reconstitution due in March.

- An allegation that the managing committee planned to acquire a piece of land at an abnormally high cost of Rs 6,000 for a cent. The price had to be scaled down to Rs 4,500 after a public furore. The committee explains that it was only implementing a decision of its predecessor body and, that too, to avoid payment of a huge compensation to the landowner. The price, it adds, was fixed by a government officer in charge of land acquisition.

- The committee was accused of practising caste discrimination by denying permission to a team of percussionists belonging to low castes, including Harijans, to perform inside the temple. A sanyasin led an agitation against the decision. But the committee points out that the right of playing certain instruments inside the temple is hereditary and the committee has no powers to change it. The *tantri* alone is the arbiter of the traditions and rituals of the temple. But a similar practice of free feeding of Brahmins was ended under public pressure some time back. Instead, free lunch is now being served to all worshippers.

- One of the more serious allegations related to the production of a film, *Guruvayoorappan*, by the devaswom at a cost of Rs 16 lakh. It was entrusted to a private distributor and ended up as a financial flop. The managing committee could offer little justification for the foray into the tinsel world.

- A cow shelter constructed on a 25-acre site in distant Malappuram district provided not much protection to the cattle. It was intended for the rearing of cows offered by devotees. But a number of them died at the new shelter allegedly because of lack of care. The site had no grazing field.

- Suspicions were voiced over the drawal of gold from the temple collections for the gilding of the roof of the sanctum sanctorum and for making lockets for sale to devotees. A total of 105 kg of gold was used for the gold-plating and 100 kg for the lockets. Another 60 kilograms was used for making oil lamps and utensils for use inside the sanctum. There were allegations that five kilograms of gold was lost in the process of making the lockets. The committee, however, points out that the lockets were made at the Government of India mint in Bombay and the accounts are yet to be finalised. It holds that there was no scope for foul play.

The allegations notwithstanding, Guruvayoor has witnessed considerable growth in recent years. Amenities for the pilgrims were improved vastly. A choultry which can accommodate 400 pilgrims at a nominal tariff of one rupee per head per day, three rest houses with nearly 300 rooms and a guest house for VIPs were among the recent additions in the temple town, all built by the devaswom.

However, the scope for its development as a cultural centre has not been tapped. The emphasis of a new master plan is on the expansion of amenities for the pilgrims. The provision of 5,000 more beds for the pilgrims in the course of the next three years is one of them. Another scheme is for protection of pilgrims from unscrupulous traders and provision of low-priced food for devotees.

However, the most impressive scheme relates to the conversion of the temple's elephant park into an international centre for study of the pachyderms. The temple has 40 elephants, all offered by devotees. It costs the devaswom about Rs 15 lakh a year to maintain

them and the returns by way of hire for use in temple festivals are negligible. But the sight of a big herd of the elephants on the 19-acre park near the temple is a rare attraction for tourists and pilgrims alike. The proposal is to rebuild an old palace at the site as an elephant library and research centre.

The temple runs two institutions to teach temple arts and Krishnanattam, the dance-drama of Guruvayoor. But they are in a deplorable condition, with very little incentives to the dedicated students and artistes. A Namboodiri family has reportedly offered to hand over its three temples with their considerable property to be administered as subsidiaries of Guruvayoor. But the hamstrung committee is unable to act

on the worthy proposal. Several other proposals too are stalled. Says Mohanakrishnan: "The committee will welcome any type of inquiry into the allegations. But the government should not interfere with the freedom of the committee. Government officers sitting in Trivandrum cannot be the decision-makers."

The temple has enormous funds and their prudent use could change the face of the temple town. But the conflict between the administration and the government acts as a spoke in the wheel. What is urgently needed is to free the temple administration from political meddling. At the same time, the administration must be streamlined to prevent any scope for foul play.

Primary Credit Sector

Cochin THE WEEK in English 18-24 Oct 87 pp 17-18

[Article by P. Aravindakshan]

[Text]

CONGRESS(I) leader Thachady Prabhakaran's climb-down from his lofty perch at the top floor of Kerala's tallest building signifies the successful finale of a silent coup staged with stunning precision by the Marxists in the cooperative sector. Thachady had reigned supreme as the undisputed king of the cooperative institutions. He was president of the state Cooperative Bank for seven long years.

The multicore showpiece that he built for the bank, the 12-storey Coop Towers in Trivandrum, is symbolic of the commanding position the cooperatives occupy in the economy of the state. Such was the prestige of the post that Thachady did not relinquish the president's chair even when he became finance minister in the Karunakaran ministry. That turned out to be a wise decision: he had the powerful post to fall back upon when he was denied the Congress(I) ticket for the assembly election. But in the last week of September, with only days left for the new director board of the bank to elect a new president, Thachady resigned.

It had become clear to Thachady that the power balance in the director board had been tilted decisively in favour of the Marxists. Only four of the

14 voting members were likely to back an opposition nominee. That was a reversal of the equation before the election of the directors from district cooperative banks. The Marxists had been kept at bay by the Karunakaran government through a restructuring of the societies and a series of reforms which provided the pretext for nomination of a large number of directors of societies.

The Marxists were determined to gain control this time. The technique was perfected as soon as Marxist leader T.K. Ramakrishnan, a cooperator himself, took over the cooperative portfolio. The technique was first tested against his former colleague M.V. Raghavan in the battle for control of the AKG Memorial Hospital in Cannanore. The biggest of its kind in the cooperative sector, the hospital had been built with enormous government support when the first Nayanar ministry was in power and Raghavan remained at the helm till he broke away from the CPI(M) to form the Communist Marxist Party. The CPI(M) wrested the hospital from Raghavan in the elections to the director board. There were allegations of manipulation of membership and intimidation of voters by the CPI(M). The government then authorised an enhancement of the

hospital's share capital from Rs 40 lakh to Rs 1 crore, with a corresponding increase in the membership. That was seen as a move to reinforce the Marxist grip on the hospital.

The next stage of the operation came in August when a seemingly innocuous, even idealistic, amendment to section 28 of the cooperatives act was passed. It terminated the administrative committees of societies consisting of nominated members. Only in the case of newly formed societies could nominated committees continue for six months.

In one sweep, the nominated committees of hundreds of primary societies stood dissolved. Administrators were appointed to replace the directors. And the dissolution came just before the election of the director boards of the district cooperative banks.

Normally in the three-tier structure, the nominees of the primary societies constitute the electoral college for the district banks whose presidents formed the director board of the state cooperative bank. With the dissolution of the director boards of the primary societies, the right to make nominations to the district banks was vested in the government-appointed administrators. The administrators, most of them hand-picked from the Marxist-controlled Non-Gazetted Officers Union, ensured that only Marxists were nominated.

Minister Ramakrishnan said that 272 primary societies were superseded but Congress(I) leaders said the number was over 300. In addition, the director boards of several societies were replaced under the pretext that they were defunct. And where it suited Marxist designs, long dormant societies were suddenly revived. When the process was completed, the district banks of Palghat, Trichur, Ernakulam and Quilon fell to the Marxists. In the newly formed districts of Pathanamthitta and Kasargode, which had only nominated director boards, the election process was already on but the government stayed the proceedings and appointed administrators for both.

Simultaneously, 'operation scuttle' was being extended to other cooperative institutions. Congress(I) leader K.A. Chandran licked the dust in the State

Land Development Bank and was replaced as president by Koliyakode Krishnan Nair, Marxist MLA. Eleven of the 36 primary land development banks were put under administrators as soon as the act came into force. Originally formed as service cooperatives, the societies were elevated to the status of farm banks when they had a deposit of Rs 50 lakh each against a loan disbursement of Rs 1 crore. But in most of them, the original elected director boards were allowed to continue as nominated boards. Under the new amendment the boards were dissolved.

Six directors of the Central Land Development Bank were elected unopposed from the primaries and four of them were Congress(I) men. But in the elections for the remaining eight seats, the Congress(I) drew a blank and the CPI(M) claimed six. A Congressman director from the Wynad Farmers Bank was disqualified minutes before the election of the central bank president. The reason given was that the Wynad bank director board did not have the requisite quorum. The bank was put under an administrator.

The method employed was different in the fisheries sector. The fishermen were earlier organised under 221 welfare societies. The government ordered their reorganisation into 81 welfare and development societies. The CPI(M) machinery went into action enlisting party men as members of most of the new societies before their initial registration. However, the Congress(I) could retain its grip over the Milk Marketing Federation and the State Urban Cooperative Bank.

The control of the cooperative credit institutions, from the State Cooperative Bank to the primary societies, undoubtedly places immense powers at the disposal of the CPI(M). The societies, numbering over 1,500 with a membership of over 54 lakh are the principal credit agency for agriculture. Short-term credit disbursed by them alone is around Rs 57 crore. The Agricultural Development Bank and its constituents disbursed nearly Rs 40 crore as long-term credit in a year. Interestingly, the Marxists have not carried their partners in the ruling front with them in the capture spree.

COMMENTARY WARNS OF GUERRILLA LEADER

Calcutta SUNDAY in English 7 Nov 87 p 48

[Article by Santanu Ghosh/Imphal]

[Text] The man to watch in Manipur's insurgent theatre now is a 46-year-old former student of international relations at Jadavpur University in Calcutta. He is Raj Kumar Meghen, a scion of the state's royal family. Both the central and state government intelligence outfits agree that it is this fugitive guerrilla who holds the potential threat of a renewed secessionist turmoil in the sprawling Imphal valley, the heartland of the Meitei community. According to a Union home ministry confidential report, Meghen's United National Liberation Front (UNLF) is gradually becoming a rallying point for those sensitive Meitei youths who are keen to hit the guerrilla trails. The border state's other insurgent bodies, including the dreaded 11-year-old People's Liberation Army (PLA), are now in a shambles.

The UNLF has already linked up with the six-year-old pro-Maoist Naga secessionist set-up, National Socialist Council of Nagaland (NSCN) and the Kachin Independence Army (KIA), the 8000-men strong Burmese insurgent gang which holds sway over a 40,000 sq km hilly area in northern Burma. Meghen now lives at the NSCN council headquarters at Tonyu in Burma's wild west, a four-day trek from the Indo-Burma border in the Mon district of Nagaland.

According to an agreement signed early this year between NSCN chief T. Muivah and Meghen, the UNLF activists will provide sanctuary to Muivah's desperadoes during the latter's forays in the Imphal valley. In return, the NSCN has pledged to train the UNLF recruits (estimated strength: 60) in guerrilla combat in the former's general headquarters at Jalongkhai in Burma.

The security agencies are giving much importance to this alliance, as there are indications that the two gangs are now trying to launch coordinated raids on common targets in the valley. The NSCN and the UNLF first set up contacts with each other in September 1981. According to intelligence reports, Ramkathing, an NSCN daredevil, was given shelter at Imphal by the UNLF after he shot dead former state chief minister Yangmasho Saiza. The desultory contacts culminated in a firm alliance after Muivah was impressed by the discipline and ideological commitment of the leftist and better educated insurgents of the UNLF.

The majority of the UNLF activists are now at the NSCN camps in Burma along with Meghen undergoing training. They also help out the NSCN in bringing out the propaganda materials. Some UNLF middle-ranking leaders have been inducted in the NSCN committees on education and health.

A veil of secrecy shrouds the organisational activities of this underground body. The UNLF is stated to be the oldest insurgent gang in Manipur. It was floated in 1966 by S. Samerandra. Some of its cadres were also the architects of the Revolutionary Government of Manipur (RGM), a nursery of many of the latter-day Meitei insurgents. The UNLF was given a fresh lease of life in 1981 when N. Okendrajit took over its leadership. Meghen, who was associated with the RGM since his student days, later drifted into the UNLF and became its chairman in 1984.

Aware of the threat posed by the UNLF, the state's Congress(I) chief minister Rishang Keishing has ordered the police to hunt down its cadres. The police raided the UNLF hideouts at least four times during the past one year, nabbing about a dozen guerrillas including N.K. Senajaoba, a journalist-turned insurgent, and Wangba, a leader of the armed wing of the UNLF. Meghen's house at Singjamei area in Imphal (where his school teacher wife stays) is under close surveillance. According to the intelligence sources, the UNLF is likely to crackdown this winter when the trainees in Muivah's camps will be fit for war. The arms supply from the KIA (led by the fabled Burmese guerrilla Brang Seng) has also been ensured.

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MOSCOW EXPANDING INFLUENCE IN IRI

46400001a London KEYHAN in Persian 20 Aug 87 p 16

[Text] Through quiet but extensive efforts as well as economic and political negotiations with the leaders of the Islamic Republic over the past few weeks, the Soviet Union is trying to increase its influence on Tehran, and thus take utmost advantage of the void resulting from the isolation of the Islamic Republic. Political observers believe that the response of the Islamic Republic to the UN secretary general and the reaction of Tehran leaders to the recent resolution of the Security Council indicate the extent of the influence of the Soviet Union on the leaders of the Islamic Republic and the fruition of the 18 months of diplomatic efforts of that country to achieve its long-term objectives in Iran.

Differences of opinion exist among Middle East experts regarding whether the recent negotiations of Yuliy Vorontsov, the first deputy of the Soviet Foreign Ministry, with the officials of the Islamic Republic indicate Moscow's sympathy for and cooperation with Tehran in regards to condemning the United States in the Persian Gulf, or whether they indicate the true wishes of the Soviet Union to establish a cease-fire in the Persian Gulf.

Such uncertainty has political observers waiting to see the reactions of the Soviet representative to the UN Security Council. These observers believe that ultimately the position of the Soviet Union at the time of the discussions and votes in the general session of the UN Security Council will reveal their ultimate intent regarding the Persian Gulf crisis, and the people of the world will learn something of the Kremlin's hand.

Importance of Yuliy Vorontsov's Visit to Iran

Last week's negotiations between the deputy of the Soviet Foreign Ministry and the officials of the Islamic Republic, naming projects to be implemented in the future, are of special importance. Economic observers believe that if the project for Soviet access to the Persian Gulf by means of a railroad is implemented, that country will be afforded easy access to the Persian Gulf. Even though the visit of

Yuliy Vorontsov to Tehran never went beyond discussions about the implementation of economic projects, and no official agreement has been signed in this connection, what has taken place so far is considered an unquestionable diplomatic success for the Soviet Union. This success has been achieved by the Soviet Union at a time when Washington leaders are still suffering from the negative and impeding effects of Irangate. Furthermore, in the area of their present policies in the Persian Gulf, they lack the approval and support of all the people.

Mark (Teran), the political analyst of the GUARDIAN, writes in an article entitled "The East and the West Could Become Involved in a Conflict Over the Persian Gulf": "While the United States and England are trying to prepare an arms sales embargo against the Islamic Republic through the Security Council resolution, they are afraid that the Soviet Union will oppose this resolution, in support of the Islamic Republic, and in this manner escalate the present crisis in the Persian Gulf."

The above-mentioned newspaper adds: "While the Soviets speak of the united desire of the members of the Security Council to establish a cease-fire on the Iran-Iraq war fronts, they ask the United States to withdraw its forces from the Persian Gulf as a main condition for their support for the arms sales embargo against Tehran. In the course of the coming days, the Security Council meeting will be a scene of East-West conflicts over the Persian Gulf."

The Soviet Union Plays the Role of Mediator

A Middle East expert believes that at the present, the Soviet Union is trying very hard to prevent the Islamic Republic and Washington from engaging in a military conflict in the Persian Gulf. Late last week, TASS NEWS AGENCY, quoting PRAVDA, reported: "The response of the Islamic Republic to the recent UN resolution was not completely negative, and that country has not absolutely rejected the above-mentioned resolution."

PRAVDA expressed hope that both sides in the conflict as well as the United States will implement the text of the recent UN resolution.

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IRI MINES REPORTEDLY MANUFACTURED IN FRANCE, SWEDEN, ITALY

46400003b London KEYHAN in Persian 20 Aug 87 p 16

[Text] A great deal of the explosive mines which have increasingly threatened ships in the Persian Gulf have been made available to the Islamic Republic by France.

Last week, a French publication called THURSDAY EVENTS (EVENEMENT DE JEUDI) claimed that an Italian arms manufacturing company called "Valsella" exported 250,000 underwater mines to the Islamic Republic. The necessary explosives for the production of these mines were provided with the cooperation of a Swedish and an Italian company and sent to Italy. The two companies, one "Bofors" (belonging to the Swedish government) and another, the "National Explosives Company" (belonging to the French government), in cooperation with each other and with the knowledge of government officials, made the necessary explosives available to the Italian company "Valsella."

The activities concerning the filling of orders, procurement of explosives and production of the mines took place in the course of 1981-1984.

André Giraud, the French defense minister, could not totally deny the report published in (EVENEMENT DE JEUDI). He told reporters: "Throughout the world, hundreds of small and large companies are engaged in the production and sale of explosives. To track down where every bag of explosives has been produced and to what destination it has been exported is a very difficult task."

Last year, the French company, "ANSEP" (National Company for the Production of Explosives), belonging to the French Foreign Ministry, exported great amounts of antiaircraft ammunition as well as other destructive weapons to the Islamic Republic.

In its report, the above-mentioned weekly publication revealed the secrets of the participation of many of the Western European countries in the area of sending various kinds of weapons to the Islamic Republic and Iraq. A great many of the revealed secrets are supported by documented evidence placed at the disposal of the mass media by the

Swedish police. Among such documents are photocopies of most of the orders, letters, and other documents that indicate close relations between the Islamic Republic and the weapons-producing countries of Western Europe.

According to a report by Paul Webster, the reporter for the GUARDIAN (London) in Paris, the officials of the Islamic Republic submitted an order for the purchase of a large number of mines in the Fall of 1981. In order to procure the explosives needed, this company made a request to the Swedish company Bofors. The order submitted by Tehran to the Italian company Valsella involved 250,000 anti-personnel mines, 500,000 anti-tank mines and underwater mines. Apparently, the Bofors company contacted the French government explosive production company to procure some of the explosives, and purchased 9,000 tons of the explosives from that company. It then sent them to that country along with other materials needed by the Italian company by way of France.

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IRI FOREIGN EXCHANGE SHOWS INCREASE

Oil Price Rise

46400005 London KEYHAN in Persian 20 Aug 87 p 8

[Text] The foreign currency deposits of the Islamic Republic in Foreign banks increased in the course of the first three months of this year (January, February, March). Banking officials in Basel (Switzerland) have stated the amount of this increase as \$130 million. According to the figures published by the "international bank of auditing accounts" in Basel (Switzerland), the Islamic Republic had a total of \$5.1 billion in currency deposits by the end of March this year.

The analysis of the statistics of the above-mentioned bank indicates that the Islamic Republic in 1986 regularly withdrew from its deposits in the foreign banks. The Iranian foreign currency reserves, which had been estimated at about \$8 billion early last year, decreased to about \$5 billion early this year. Therefore, the Islamic Republic withdrew about \$3 billion from the foreign currency reserves of the country in the course of that year.

Economic authorities as well as banking analysts have mentioned the main reasons for the increase of \$130 million in the currency deposits of the Islamic Republic to be the increase in the price of oil compared to that of 1986 and also the increase in the level of exports of oil by the Islamic Republic.

In December 1986, the Organization of Petroleum Exporting Countries (OPEC), by raising the price of oil to \$18 per barrel, caused some of the member countries, including the Islamic Republic, to succeed in increasing their currency revenues through the sale of oil. In late 1985, the Islamic Republic had \$7,492,000,000 in foreign currency deposits.

The economic weekly publication, MEED (London), which published the report on the level of currency deposits of the Islamic Republic in foreign banks making use of the statistics of the international bank for auditing accounts (B.I.S.), writes: "In 1986, the foreign currency revenues of the Islamic Republic from the sale of oil dropped from

between \$5 billion and \$7 billion. Simultaneously, in order to prevent the use of the currency it had accumulated from the sale of oil, the Islamic Republic, on the one hand, restricted imports, and, on the other, by devising various policies, increased non-oil exports. According to the statistics of the Ministry of Commerce, last year it gained about \$900 million from non-oil exports.

Deposits Reach 5.11 Billion Dollars

London KEYHAN in Persian 27 Aug 87 p 8

[Text] For the first time in the past two years, the oil-producing countries of the Middle East increased their foreign currency deposits in Western banks. Economic experts have explained this increase of foreign currency deposits as the direct result of the increase in the price of oil at the beginning of this year. From the beginning of January to the end of March of this year, eight oil-producing countries in the Middle East have added a total of \$1.3 billion to their foreign currency deposits in the banks and financial institutions of Western countries. These figures were published some time ago by the international bank for auditing accounts in Basel (Switzerland).

According to the report of this bank, eight Middle Eastern countries, including Iraq, the Islamic Republic, Kuwait, Libya, Oman, Qatar, Saudi Arabia and the United Arab Emirates, have withdrawn a total of \$13.5 billion from their foreign currency balance, which they have deposited in Western banks.

Economic analysts consider the reason for such withdrawal to be the virtually unprecedented decrease in the price of oil and the decrease in the oil exports of some of the Middle Eastern countries.

The statistics of the international bank of auditing accounts indicates that from January to March of this year, calculating the changes in regards to the decrease in the value of the dollar vis-à-vis other currencies in the world, Saudi Arabia increased its currency deposits in Western banks by \$730 million, Libya by \$405 million, the United Arab Emirates by \$392 million, Iraq by \$145 million, and the Islamic Republic by \$130 million.

According to the report by the above-mentioned bank, in the first three months of this year, Saudi Arabia and Libya decreased their short-term loans in various banks by \$668 million and \$318 million, respectively.

The eight oil-producing countries in the Middle East had a total of \$16,178,000,000 in foreign currency deposits in Western banks by the end of March this year. This amount is the largest figure of foreign currency deposits of the eight countries in question since March 1985.

The above-mentioned international bank (B.I.S.) announced the foreign currency deposits of the Middle Eastern countries in Western banks as of 31 March as follows: The Islamic Republic, \$5.11 billion; Iraq, \$1.4 billion; Kuwait, \$13.55 billion; Libya, \$6.71 billion; Oman, \$2.15 billion; Qatar, \$3.28 billion; Saudi Arabia, \$45.99 billion; and the United Arab Emirates, \$24.25 billion.

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IRI'S OIL EXPORTS INCREASE

Crude Exports

46400011 London KEYHAN in Persian 24 Sep 87 P 8

[Text] The expansion of crisis in the Persian Gulf and the intensified attacks by the Iraqi warplanes on the oil-tankers in the Gulf, before and after the trip of the secretary general of the United Nations to Tehran and Baghdad, did not have any effect on the volume of oil export by the Islamic Republic. The IR as before continued to export between 2.2 to 2.5 million barrels of oil per day to the world markets.

According to the reports received from the oil sources, during the two recent weeks the Islamic Republic while making the best of the temporary lull in the Persian Gulf, and Iraqi's constraint for attacking the Iranian oil-tankers or its oil installations, increased the volume of its oil exports more than ever before. According to some unconfirmed reports until last week Iran delivered up to 2.6 million barrels of oil to its customers every day. Among the major buyers of Iranian crude the names of such countries as Japan, the United States of America, Greece, Holland, Turkey and some others have been mentioned. The production quota of the IR which is determined by the OPEC has been designated at 2.369 million barrels per day of which it can export 1.7 million barrels. With regard to increasing its oil exports, the international oil experts believe that the IR during the past few weeks and particularly during the sojourn of the UN secretary general in Tehran until the end of last week, on a daily basis exported up to 900,000 barrels more than the allowable quota.

Last week the price reduction in the world oil market was halted and each barrel of Brent crude oil [from the North Sea] was sold for 18.65 dollars. At the same time the government of Kuwait also announced that until now at least 66 of its oil-tankers use other nations' flags. Some of the Arab world periodicals reported that during last week, except for the extensive military presence of the United States and its NATO allies, a state of normalcy was prevalent in the Persian Gulf and many oil-tankers and commercial vessels were busy plying the waters of the Gulf region.

According to a report by LLOYDS LIST of London, until the end of last week five oil-tankers from a fleet of about 20 belonging to the Islamic Republic remained inactive as a result of damages caused by Iraqi's missiles.

The remainder of oil-tankers were likewise busy carrying oil from the half-damaged portion of Khark oil terminal to the island of Larak. At the beginning of last week the Iranian Oil Company's office in London was trying to secure leasing of a few new oil-tankers. According to some reports the aforementioned company has been able to add the services of at least three medium-capacity oil-tankers to its present fleet in the Persian Gulf.

At the beginning of last week, some officials from the Iranian Oil Company informed their Japanese customers of the availability of more oil in the floating reservoirs near Sirri island and the Strait of Hormuz. Apparently the Islamic Republic has been trying to empty a few of its oil-tankers which are used as floating reservoirs, and thus complete a fleet of oil transportation tankers from the Khark island to a more secure area in the Gulf and thereby expand its export potential.

An international oil expert told KEYHAN correspondent that about three weeks ago as a result of the attacks of Iraqi warplanes on Tabriz oil refinery, the said facility has temporarily come to a standstill while the necessary repairs are being carried out with utmost haste by engineers and other specialists from some European countries and probably their counterparts from the United States of America. Furthermore, other KEYHAN sources from Tehran and some other cities reported that as a result of a reduction in refined oil and a halt in the import of kerosene--which was being refined by a Saudi Arabian refinery and exported to Iran--it is probable that with the beginning of the cold season all the Iranian cities will face a shortage of gasoline and kerosene and other by-products of this source of energy.

Oil to Turkey

46400011 London KEYHAN in Persian 24 Sep 87 P 8

[Text] With the export of a large quantity of crude oil to Turkey during the last seven months, the Islamic Republic became the first country among others which provide Turkey with needed crude oil. According to a report by the Turkish statistics office, during the seven months of the current year [January to July 1987], that country spent a total of 1.4 billion dollars for the purchase of oil from foreign sources. In comparison to the similar period of last year this figure shows about 300 million dollars increase by Turkey. The Islamic Republic which, during the years 1985 and 1986, after Iraq was the second largest supplier of oil to Turkey, during the current year surpassed Iraq and during the first seven months of the current year it delivered about 452 million dollars worth of crude oil to Turkey. After the Islamic Republic, Iraq and Libya each with the export of \$382 million and \$196 million respectively acquired the second and third place.

Some time ago the Islamic Republic and Turkey through the signing of an agreement for commercial exchange agreed to increase their volume of commercial trade to about two billion dollars during the current Christian year. Apparently, the increase of crude oil from the IR to Turkey was one of the results of the aforementioned agreement.

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BRITISH CAPITALIST STRIKES ONE BILLION DOLLAR OIL DEAL

46400007a London KEYHAN in Persian 20 Aug 87 p 8

[Text] The general manager of one of the British industrial and commercial groups left for Tehran last week in order to complete the final stages of a large oil transaction with the leaders of the Islamic Republic.

Tiny Roland, the well-known British capitalist, whose name was frequently mentioned in the Irangate affair as the provider of some of the funds necessary for the sale of U.S. arms to the Islamic Republic, intends to purchase large amounts of oil valued at \$1 billion annually from the Islamic Republic.

Patrick (Runuan), the INDEPENDENT (London) correspondent who released this report for the first time, writes in this connection: "This transaction will give Tiny Roland the opportunity to open a European office for the sale of Iranian crude oil, as a middleman."

The above-mentioned reporter adds: "With the escalation in the Persian Gulf, which has resulted in the chaotic situation and instability of crude oil on the international market [as published]

"The officials of the Islamic Republic are very pleased that Tiny Roland intends to increase the foreign currency revenues of the Islamic Republic by purchasing Iranian crude oil."

The Islamic Republic, which at the present time holds fifth rank among the non-communist producers of oil in the world, supports the action of the "(lunru)" commercial groups which belong to Tiny Roland in purchasing a used refinery from Mobil, the American oil company. This refinery is located in West Germany, and Tiny Roland intends to work in partnership with a German company by the name of (Marin Peks) to purchase it. If the refinery transaction is concluded, some of the crude oil from the Islamic Republic will be sent there for processing.

Quoting the American petroleum company, Mobil, spokesman in West Germany, INDEPENDENT writes: "Negotiations concerning the sale of the

oil refinery which belongs to this company are taking place with a number of buyers."

The Mobil refinery in West Germany, which has been idle for two years due to the crisis in the international oil market, has the capacity to refine about 7 million tons of crude oil. This is the largest and most modern refinery in West Germany.

Another part of the INDEPENDENT report states: "When the correspondent of this newspaper contacted the officials of the British Ministry of Energy concerning this transaction with Tehran, the officials announced that importing oil from the Islamic Republic is by no means prohibited or restricted. The officials of the U.S. Embassy in London also told the correspondent of this newspaper that the U.S. government considers purchasing oil from the Islamic Republic legal, and there are no restrictions against this transaction with Tehran."

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DANISH SHIPPERS' ROLE IN WAR MATERIEL DELIVERIES DETAILED

Copenhagen BØRSENS NYHEDSMAGASIN in Danish 2 Oct 87 pp 28-33

[Article by Erik Bjerager]

[Text] Iran receives its supplies for the war with Iraq from Sweden and a number of other West-European countries. Much of the war materiel is shipped to the Middle East by Danish ships, often with Yugoslavia as an intermediate country. Scores of Danish shipping companies participate in this profitable traffic. This appears from a study undertaken by BØRSENS NYHEDSMAGASIN of this strange market and based, among other things, on Swedish investigations. The Folketing will shortly read a bill under which weapons shipments by Danish ships to belligerent countries will become illegal.

Danish ships have played an enormous role in the West European trade in weapons and ammunition to Iran. The well-known ship Erria placed Denmark on the map of the world as a large-scale carrier of war materiel when carrying weapons for the Americans in the Iran-Contra affair, but many other Danish ships have been sailing the same route.

Swedish customs authorities, who have been investigating the sale by the Nobel concern of gunpowder, ammunition and weapons to Iran, state that Danish ship-owners and shipping companies have shipped a large portion of the explosives and the huge quantities of ammunition that have been shipped to Iran from Sweden.

The Swedish customs officials who have carried out the investigation decline to give any names, but they point out that Danish ships and shipping companies have been more active in the shipments to Iran than those of any other country.

It is impossible to estimate the number of Danish weapons and ammunition shipments to Iran in the course of the 7 years of war in the Middle East, but some of the approximately twenty shipowners and shipping companies interviewed by BØRSENS NYHEDSMAGASIN state that several hundred Danish transports have gone to Iran. Others add that as many cargoes have probably gone to Iraq via ports in countries such as Saudi Arabia. Most of the transports to Iran took place in 1984-86, but according to the Seamen's Union, Danish ships carried war materiel to Iran as late as in April of this year.

A shipowner who has appeared in the press in connection with the Iran shipments says: "I do not want to have my name appear any longer. It is now the turn of the others. They are hiding. Everybody has, of course, been sailing there with war materiel."

The Danish coaster fleet comprising approximately 400 ships is known throughout the world for being a good and safe carrier of explosives, ammunition and weapons and has created a clear position for itself in this area.

BØRSENS NYHEDSMAGASIN has learned that Danish shipping companies have shipped the controversial Bofors ammunition and gunpowder directly from Swedish ports and, in at least one case, have also reloaded ammunition to Iranian forces in the port of Korsør [south of Copenhagen].

Shipping papers show that coasters under Danish shipowners have left Swedish ports with Bandar Abbas, the military port of Iran, as their destination. But in numerous cases, the typical route for the ships has gone via the transit country of Yugoslavia, where the shipping papers have been exchanged, allowing the coasters to sail on to Iran, a Danish shipowner admitted. In this way, the bans of Sweden and many other Western countries on sales of weapons to Iran have been bypassed.

Usually, shipments of war materiel are profitable, and to many Danish small coasters, these shipments constitute a major part of their incomes. A few shipping companies have directly specialized in this form of transport.

All of the weapons and ammunition shipments have been legal, but the routes of the ships to Iran show the exploitation by Iran, with the aid of Western weapons dealers, of the lack of control of weapons and ammunition exports in order to obtain war materiel for its debilitating war with Iraq. Several West European countries have launched police investigations of their weapons industries with a view to disclosing illegal sales to Iran.

BØRSENS NYHEDSMAGASIN shows examples of how Finnish, Swedish, Dutch, Belgian, British and Spanish war materiel has ended up in Iran via Danish ships, which have exchanged shipping papers in intermediate countries. Danish ships have also sailed weapons from South Africa to Iran and from Israel to Iran in the course of the war in the Middle East, several shipowners state.

The opposition in the Folketing last spring demanded that weapons shipments to countries at war or in conflict be made illegal. The bill is near its conclusion and will be presented in the Folketing in a few days. If the bill is adopted, Denmark will be the first country to obstruct its shipping industry in such a drastic manner, and the small coaster shipping companies expect many ships to adopt a flag of convenience or to go bankrupt.

This is the Documentation

The Erria carried weapons shipments to Iran for the Americans during the Iran-Contra affair. The firm of S.A. Shipping was in charge of the Erria and specializes in shipments of war materiel.

Swedish customs authorities have seized thousands of documents in the course of 29 raids of the Bofors Nobelkrut factory in Karlskoga and the premises of Erik Schmitz, a weapons and ammunition dealer in Malmö. Scandinavian Commodity, the firm of the Swede, handles nearly all Swedish weapons deals with Iran, and the 52-year-old businessman has proved one of the major, individual dealers in weapons and ammunition to Iran in its 7-year war with Iraq. He has now been charged with illegal trade in weapons and ammunition, and the trial of him and two employees at Bofors is expected to commence next year.

Iran gets most of its major weapons--heavy artillery, tanks and spare parts--from the black market within the East Bloc but obtains TNT and gunpowder from Western manufacturers of explosives.

However, in the course of their investigations, the Swedish customs authorities have also encountered many names that appear Danish:

The name of the shipping company of J. Poulsen Chartering in Korsør occurs numerous times in the documents that have been seized by the Swedish customs authorities. Finn Poulsen, director, estimates that the firm has shipped between one third and one fourth of the shipments to Iran handled by Karl-Erik Schmitz, but he estimates that, at the most, it has been a question of ten voyages. The firm has partly used its own ships, partly chartered other Danish and foreign ships for the shipments. Among others, the German Katja and Frauke and the Sri Lankan Bentota.

The Svendborg shipping company of Svendborg Enterprise has also been very actively involved in the shipments to Iran. Documents describe two of the shipments of the company for the Swedish weapons dealer by the ships Svendborg Gallant and Svendborg Gold. (Søren Mørch, teacher, married to Ritt Bjerregaard, a prominent Social Democratic politician, holds shares in Svendborg Gold. The Social Democratic Party is behind the proposal to prohibit weapons transports.)

Svendborg Gallant has sailed from Helsingborg in Sweden to Bandar Abbas. According to the papers of Erik Schmitz, Svendborg Gold has sailed from Hangö in Finland to Bandar Abbas. Like J. Poulsen, the shipping company has been chartering Bentota and other foreign ships.

It was announced on an earlier occasion that the ship Marie TH last year loaded weapons for Iran. Marie TH is owned by Gunnar B. Thuesen, a shipowner in Fåborg, but has been chartered by Svendborg Enterprise. The ship was on its way to Bandar Abbas in Iran but was stopped at the request of Preben Møller Hansen, president of the Seamen's Union, who requested the Ministry of Industry to intervene. An inexperienced office worker lacked superiors to consult and, as a result, stopped the legal shipment.

Marie TH has been sailing for Karl-Erik Schmitz on at least one occasion. The ship has, among other things, picked up empty containers in South Africa--possibly on a return trip from Iran-- for the firm. The containers that are sent to the war zone in Iran with weapons parts and ammunition are not returned, and, consequently, the Swedish weapons and explosives intermediary constantly needs new supplies of containers.

Henrik Berlau, secretary of the Seamen's Union, says that Svendborg Enterprise has also been sailing between Israel and Iran.

Ebbe Folkmar, director of Svendborg Enterprise, declines to comment on the shipments.

According to documents that have been seized in Sweden, Riis Shipping in Svendborg has been in Iran with Svendborg Pearl on one occasion. The route went from Genoa to Bandar Abbas with West German ammunition. Niels Riis Christensen, director, denies that the ship has been sailing that route. He says that he visited the ship in Genoa and that it must be due to a misunderstanding in the papers. One of the ships of the shipping company, Svendborg Bay, however, has been to Iran for J. Poulsen Chartering in Korsør, says Riis Christensen, director. That cargo probably contained war materiel. (Bernhard Baunsgaard of the Radical Liberal Party holds shares in the said shipping company.)

The Næstved company of Hans Gørgens has had the ship Jotun in Iran with a cargo of war materiel for Karl-Erik Schmitz. On account of unfavorable times for the shipping trade, the ship has now been sold, and the employees of the shipping division of the firm have been dismissed. (See article on Jotun's trip to Iran.)

According to well-informed sources, Karen Clipper of the Esbjerg shipping company of Juhl & Ehrhorn has been chartered by the Copenhagen firm of S.A. Shipping, which has also sailed for Karl-Erik Schmitz. Jørgen Juhl, shipowner, only wants to say that the ship has been chartered by a Copenhagen firm.

Karen Clipper carried 800 barrels of gunpowder with Yugoslavia as its destination, but the Swedish authorities claim that they know that the ship went to Iran.

Jørgen Juhl, shipowner, says that all shipping companies ship weapons and ammunition. "That is included in the calculations when the ship is somewhere else in the world and in need of a cargo," he says.

Elisabeth Clipper of the shipping company has also carried war materiel to Iran, according to seized documents.

S.A. Shipping is known within the shipping trade as one of the major specialists in the transport of ammunition, explosives and weapons. Svend Andersen, head of the firm and a taciturn man, says that he forgets the number of times he has had shipments to Iran, that he forgets whether he has been working for Karl-Erik Schmitz, and that he forgets whether he has chartered Karen Clipper. It was S.A. Shipping that chartered the ship Pia Vesta which was arrested in Panama with weapons in its hold.

Svend Andersen also had connection to the American Oliver North and the shipments of weapons in the Iran-Contra affair. His company participated in the management of the ship Erria, which the Americans had purchased from Arne

Herup, the Marstal shipowner. Sources estimate that the 33-year-old shipowner earned two-digit millions of kroner in his good years.

Lottelith of the shipping company of J. Jespergaard in Ærøskøbing has been chartered by S.A. Shipping, which probably used it for weapons shipments, and another ship of the company, Danalith, has been chartered by the firm of Baltimar--a continuation of the former Trigon shipping company, which was in charge of the illegal weapons shipments to South Africa. Leif Andersen, director of Baltimar, says that the firm has not been shipping weapons to Iran. "There is too much politics in it," he says.

The shipping company of Erik B. Kromann, Marstal, has been sailing cargoes for the Swede Karl-Erik Schmitz by the ship Arrebo, which has been chartered by J. Poulsen Chartering in Korsør. One cargo went to Turkey, and it is uncertain whether the ship has been to Iran with war materiel. Albert Boye Kromann says that the shipping company does not itself go to the Persian Gulf on account of the war.

Marstal Shipping has been transporting war materiel to Bandar Abbas in Iran by the two ships Sea Star and Sea Trader. (Sea Trader was formerly called Fylke and was used for Karl-Erik Schmitz shipments.) Sea Star sailed to Iran, among other places, when chartered by the shipping company of Ørssleff Eftf. in Copenhagen. The two ships have had 3-4 shipments each in the course of the war, a spokesman for the Marstal shipping company says.

Ørssleffs Eftf. is one of the minor shipping companies known for handling many shipments of ammunition and explosives. Peter Knudsen, director, declines to comment on the shipments to Iran.

Elite shipping has been sailing between Israel and Iran with war materiel on three occasions. That happened in 1982-83. Rino Lange, director, says that some of the coasters of the shipping company have been to Saudi Arabia with dangerous cargoes. Saudi Arabia is used as a transit country for war materiel to Iraq.

The shipping company of Hans Klempel, Horsens, has been to Iran nearly ten times with war materiel on board its ships of Vinderslevholm and Dejrup. Hans Klempel, director, declines to comment on the shipments.

The shipping company of Mortensen & Lange has specialized in shipments of dynamite and other explosives for military as well as civilian use. The ships are in line service for a number of enterprises, among others, Bofors, and the shipping company sails to both the Far East and South America. Steen Olsen, director, says that the shipping company has not been sailing to Iran or Iraq since the outbreak of war but that it has been sailing to Singapore, among other places. Bofors is suspected of having reexported explosives from Singapore to Iran.

The Swedish customs authorities also suspect Argentina, Kenya, Yugoslavia, Singapore, India and several other countries of having been intermediate countries for weapons transports to Iran. The stopovers in intermediate countries ensure that the shipments are not in contravention of the Swedish law.

However, the Swedes may add still another country to their list. Finn Poulsen of J. Poulsen Chartering reveals that the NATO country of Turkey has also been used as a transit country. He says that the first transports he sailed for Karl-Erik Schmitz went to Turkey. "From there the cargo went to Iran," he says. Poulsen declines to state the number of times he has been to Iran with war materiel. "I do not know. I do not want to inform you of it. It has got no relation to anything at all," he says. He also says that he may have been sailing war materiel from Israel to Iran.

Finn Poulsen has also participated in the exchange of papers of the ships to enable the cargoes to get through to Iran. The way it is done is that the ship is first told formally to go, for example, to Yugoslavia. In Yugoslavia, the ship gets new orders, which the Yugoslavian authorities do not object to.

Finn Poulsen says: "I do not conceal the fact that I have undertaken these voyages. I am not supposed to find out whether or not things are legal. My task is to see to it that the documents are in order. I do not see the selling prices. The ships have been in Yugoslavia, the documents have been exchanged, and the ships have subsequently gone on to Iran. As a shipper, I cannot do anything about it. It is the exporter who has the responsibility. Not I. I know that they do it this way to circumvent the regulations. But they do such things in many other places around the world. If I have to point to all of the places where they circumvent the regulations, I have to find myself another trade. It is a question whether this should be referred to as a violation of the regulations or an attempt to make the full use of the possibilities."

A Taciturn Swede

Karl-Erik Schmitz, the Swedish weapons dealer with Iran as his speciality, is working in a secret trade. And he fully complies with the rules of the trade.

He does not want to talk to the press himself. His secretary says on the phone that calls from reporters are not being put through. Mr. Schmitz, who approximately 10 years ago had a trading company in Korsør, from where he sold fertilizers, among other things, in this country, continues his business with Iran, even if the Swedish authorities have charged him with violation of the Swedish law. Swedish customs officials estimate that Mr. Schmitz has made 30-40 deals with Iran since the investigation of him was started in the spring of 1985.

Scandinavian Commodity has fifteen employees and profits from a turnover of approximately 2 billion kroner. In the best years, sales to Iran have accounted for two-thirds of the turnover of the firm.

Swedish customs officers have been to Malmø on many occasions, questioning Karl-Erik Schmitz. The busy Swedish weapons dealer on one occasion had the customs officers travel to the Copenhagen Airport, where he himself was in transit on his way to new negotiations for the sale of war materiel. The Danish customs authorities at the Copenhagen Airport made a room available for the questioning.

In the spring of 1985, the working conditions of Karl-Erik Schmitz became difficult, and the situation became further aggravated in the course of the summer. On 19 August he wrote the following in a telex to the impatient Iranians: "We wish to tell you that we are right now violating all laws and regulations here to enable us to send you the goods."

Karl-Erik Schmitz has previously stressed to reporters that he has not violated any regulations in connection with his sales to Iran.

The investigation of Karl-Erik Schmitz has had a serious effect on his business. Danish shipowners have also suffered from the attention that has been focusing on shipments of weapons to Iran.

Finn Poulsen, shipowner, says that nobody really wants to use Danish ships any longer. Hans Klempel, shipowner, who sailed war material to Iran nearly 10 times, has laid up nearly all of his ships. There are no shipments available anymore. Poul Erik Mortensen, shipping agent, who, among other things, has been involved with the coaster Marie TH, says: "Once in a while, you have had the hope that you would get a container with something good in it so that you would be able to add approximately 10 thousand kroner to the freight. But things have become more difficult.

Bent Andersen, owner of the ships Horneland and Hornestrand and vice president of the Association of Minor Shipowners, says: "We experience a decline in business because one has to be secretive in this form of shipping."

Little attention has focused on A.P. Møller, Mercandia, ØK [the East-Asiatic Company] and all of the other big shipping companies which are engaged in line service with container ships. It is impossible to find out whether the containers that are being loaded or unloaded contain weapons or ammunition. The shipowners reject having sailed weapons to Iran and Iraq, but often the shipping companies themselves do not know the contents of their containers.

The Voyage to Iran

Several Danish ships have used Yugoslavia as the intermediate stopover on the voyage to Iran. In this way, Danish shipowners become involved in the circumvention of the Swedish law, among others. In return, the Danes want to be well paid.

On 2 November 1984, Karl-Erik Schmitz, a weapons dealer, sends a telex on behalf of Scandinavian Commodity in Malmø. The telex is addressed to National Defense Industries Organization in Teheran. This is the office that undertakes the Iranian purchases of weapons and ammunition. He thanks for the order for 300 tons of TNT, which will be delivered by his Swiss company, Serfina.

Karl-Erik Schmitz contacts Bofors Nobelkrut in Karlsskoga, which orders the 300 tons of TNT from the Finnish company of Forcit, which also produces explosives. A typical procedure with Bofors when the company is not in a position to deliver the required quantity of TNT. The TNT will thus be shipped

from Hangö in Finland with Bofors in Sweden as destination, but a clause in a telex informs the Finnish company that the actual purchaser of the explosive is Iran.

Via the shipping company of Grenor Ltd. in Thessaloniki in Greece, a company that was closed down in 1986, the Danes are given the task of shipping the explosive. It is Finn Poulsen, director of J. Poulsen Chartering, who with either Svendborg Enterprise or S.A. Shipping, receives the order. It is not clear from the papers.

Frauke's Trip to Iran:

Finn Poulsen, director, in Korsør time charters, i.e. rents for a certain period two ships to handle his share of the shipment. The ship from Odense by the name of Othonia and the West German ship of Frauke are chosen for the task. Othonia loads its share of the 300 tons of TNT in Finland--exactly 149.4 tons of explosives--and heads for the Swedish port of Varberg. Because of the icy conditions in January of 1985, it becomes difficult to call at Varberg, and Othonia instead sails to Korsør, where it awaits Frauke, which comes from Varberg. It is Frauke which will be sailing the cargo to Bandar Abbas in the Persian Gulf.

In Varberg, Frauke has loaded 100 tons of gunpowder for 155 mm howitzer guns. This cargo forms part of another deal concluded by Karl-Erik Schmitz with the Iranians. It is again Bofors which will deliver part of the explosives, but Karl-Erik Schmitz also makes purchases in the Netherlands, Belgium, Italy and South Africa.

Frauke now reaches Korsør, where the shipment of TNT from Othonia is taken on board. Othonia has thus complied with its share of the deal, and Frauke continues its voyage, sailing to Nordenham in West Germany, from where a large portion of military explosives manufactured in Western Europe is shipped. Frauke loads 323 tons of gunpowder from the Dutch firm of Muiden Chemi and then continues to another one of the major shipping ports for explosives: Zeebrugge in Belgium. At the gunpowder quay--the nickname for the quay from where 15-20,000 tons of explosives are shipped annually--Frauke takes on board 350 tons of gunpowder from the Belgian gunpowder and explosives enterprise of PRB. In Talamone in Italy, Frauke had been scheduled to take on board explosives produced in Italy, but for unknown reasons, the Italian port authorities deny access for the ship. The voyage continues to Kardelyevo in Yugoslavia, where, according to the papers, the cargo was supposed to be discharged. The official papers from Bofors and the other authorities show Yugoslavia as the country of destination. It thus appears from the export permit from the War Materiel Inspection Department of the Swedish Foreign Ministry that the exports are going to Yugoslavia.

Frauke, however, is given new papers in Yugoslavia and instead continues to Cape Town, where it loads 150 tons of containers, which, according to the Swedish customs authorities probably contained shells. From Cape Town, Frauke goes on to Bandar Abbas in Iran. The shipment of gunpowder alone is sufficient for nearly 140,000 loads of shells in the Iranian 155 mm haubitzer

guns which have been deployed along the Iraqi border and will eject a shower of shells into that country each time Iran launches an offensive.

J. Poulsen Chartering receives 390,000 U.S. dollars, equivalent to 4.3 million kroner at the time of conversion. The funds are deposited on the account of the shipping company with Jyske Bank on Vesterbrogade in Copenhagen. The shipping company pays the Greek shipbroker 270,000 kroner. The shipping company will pay the operating costs of the ship out of the remainder. An amount of around 2 million kroner. The voyage lasts approximately 40 days. The net profits earned from such a voyage are roughly around 2 million kroner.

Fylke's Voyage to Iran

The Danish-owned Fylke was given the second half of Karl-Erik Schmitz's order for TNT from Finland to Iran. Fylke was owned by Poul Lehmann Sivertsen in Næstved at the time of the shipment. It was, subsequently, sold to Marstal Shipping, and its name was changed to Sea Star.

The ship was chartered to either Svendborg Enterprise or S.A. Shipping in Copenhagen. It had been arranged that Svendborg Enterprise would use the Danish Lottelith, but, for unknown reasons, it was Fylke that undertook the voyage.

Fylke loads the 150.6 tons of TNT at Hangø in Finland. However, according to the shipping papers, the ship also loads at least forty-nine 20' containers of dangerous goods as well as a box weighing 13-14 tons, of which the shipping company is in charge. The voyage goes via Varberg in Sweden, where part of the cargo is loaded, and, subsequently, to a port in Yugoslavia, which again is being used as an intermediate country to conceal the actual recipient country of the cargo. The shipping papers are exchanged. The route to Bandar Abbas in Iran is then arranged, most likely via the Suez Canal.

The Danish shipping company gets 160,350 U.S. dollars for this voyage (approximately 1.8 million kroner). The Greek shipbroker receives a fee of 66,000 kroner for the freight.

Jotun's Voyage to Iran

In the spring of 1986 the Næstved ship of Jotun undertakes a voyage to Iran with war materiel from a number of West European war materiel industries. This ship, too, was probably chartered by S.A. Shipping in Copenhagen. At Zeebrugge in Belgium the ship takes on board a shipment of the powerful explosive tetryl. The explosive originates in the British ammunition and explosives enterprise of Royal Ordnance Explosives.

The Belgian firm of PRB has a shipment of 60 boxes of ignition parts and 100 tons of gunpowder for 7.62 mm bullets put on board. The Spanish enterprise of ERT and another Spanish manufacturer of war materiel ship igniting charges and gunpowder by Jotun, and the Dutch firm of Muiden Chemie ships gunpowder only by Jotun. Karl-Erik Schmitz is the intermediary. The ship sails via Yugoslavia to Bandar Abbas in Iran. A spokesman for the British enterprise says that the tetryl shipment was intended for a NATO country and not for Iran.

Opposition to Bill

All of the shipowners strongly oppose a bill to prohibit shipments of war materiel to countries at war. If the Folketing adopts the bill next month, the shipments will merely go to other countries which will not obstruct the shipments, the shipowners state.

"We would welcome a law, for example, under the auspices of the UN, but it will be detrimental to the shipping industry if Denmark adopts such a bill alone," says Knud Pontoppidan, director of the Danish Shipowners' Association, which only includes the country's major shipowners among its 21 members.

A. Traunholm, business manager of the Association of Minor Shipowners, says: "It is most naive to be surprised that Danish ships carry weapons and ammunition. Such shipments probably constitute the very majority of shipments. All countries have enormous amounts of such shipments. It is entirely natural that Danish ships would account for part of such shipments."

The small coasters belong under the Association of Minor Shipowners. Many of them constantly navigate between third countries and seldom reach Denmark. Bent Andersen, deputy chairman, whose dynamite ships have never been to Iran, says that weapons shipments and shipments of explosives and ammunition are not decisive for the economy of the small coasters, but a ban will make it difficult to secure other shipments. "If I am in London and gets shipments on board for ten different destinations, and one of the destinations is a belligerent country which needs a container with, for example, ammunition, I shall not be in a position to exclude that destination. Otherwise, I simply will not get the voyage."

Johannes Christensen Jespergaard, shipowner, Ærø, says: "A large part of the market that has kept us busy is disappearing. They cannot stop weapons transports. They can stop us, but all of the others will merely carry on."

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WORLDWIDE ARMS SALES TO IRI CONTINUING

Destructive Weapons from London

46400004 London KEYHAN in Persian 20 Aug 87 p 8

[Text] American and British dealers and merchants have made London a center for the sale of various types of weapons to the Islamic Republic, which the United States has strictly prohibited.

According to Simon (Dubrasel), the analyst for the weekly OBSERVER (London), the weapons and equipment sold by the British and American dealers in London to the agents of the Islamic Republic can increase the combat capability of that country to confront Iraqi and American fighters.

In a report entitled "Radar Transaction with Tehran Revealed," Simon (Dubrasel) writes: "The Iranian buyers tried to purchase a kind of radar for the U.S.-made Hawk missiles which is usually not found on the open market. For this purpose, the representatives of the Islamic Republic entered into negotiations with several British and American dealers in London and reached an agreement in regards to buying the needed equipment. In signing with the Iranian buyers, the sellers agreed to procure and deliver the radar equipment for the Hawk missiles within seven days. This transaction was suspended about two weeks ago due to the refusal of the sellers to participate."

The weekly publication, OBSERVER, adds: "Early last May, the Iranian arms purchasers and the American and British sellers reached agreement concerning the procedures of the transaction and other details in a west London tavern."

In this meeting, in addition to three British arms dealers, Gary Howard, the sheriff of Midland (Texas), was also present. On 12 May, Gary Howard, the American dealer, suggested to the representatives of the Islamic Republic that he was prepared to provide the Islamic Republic with 60 radar covers of the 145E kind at a discount price of \$60,000 each.

The representatives of the Islamic Republic agreed to the proposition of the American arms dealer, and, in order to arrange for the price agreement, immediately opened credit papers in the Melli Bank of Iran in London.

The weekly publication, OBSERVER, quoting the above-mentioned British arms dealers, writes: "The transaction of the arms in question is not illegal. What the Islamic Republic is trying to buy is for defense purposes. They want to defend Tehran against air attacks."

In regards to activities concerning the sale of arms to the Islamic Republic by the British company, INDEPENDENT (London) writes: "In the 1970s, before the establishment of the Islamic Republic, England ranked second in providing Iran with its needed arms. During that decade, England sold Iran 764 Chieftain tanks, 250 Scorpion tanks, 400 armored vehicles, and 2,100 "Rapier" surface-to-air missiles. After the war with Iraq started, the Islamic Republic tried to procure equipment and spare parts for the above-mentioned weapons, and it was prepared to pay two to three times the actual price to obtain them. The vital needs of the Islamic Republic and their flocking to the British markets created one of the most profitable activities for the British dealers and companies selling arms and spare parts in that country. More than 50 small and large British companies participated in exporting to Tehran spare parts and equipment needed by the Islamic Republic. The activities of these companies in the area of selling arms to the Islamic Republic were illegal, as far as the current laws of that country are concerned. For this reason, the British customs police have so far prosecuted several companies that have been active in these operations.

About two weeks ago, the office and the warehouse of one of these companies, by the name of (Katalfa) in Kingston, were inspected by British customs police. When documents revealing violations were discovered, arrangements were made to prosecute that company, which is accused of having exported military goods and items valued at 343,000 pounds (about \$550,000) to the Islamic Republic since 1983.

One Billion Dollar Arms Purchase

London KEYHAN in Persian 27 Aug 87 p 8

[Text] In the first seven months of 1987, the Islamic Republic purchased about \$1 billion worth of arms and weapons from the arms-producing countries.

According to a report prepared for the officials of the U.S. Department of Defense and placed at the disposal of the media, apparently illegally, among the countries that have sold arms to the Islamic Republic, the People's Republic of China ranks first. This country delivered \$400 million worth of arms and ammunition to Tehran in the course of the first seven months of this year (January to June) [as published]. The officials of the Islamic Republic and China have

strongly denied the charge of arms transactions. The Chinese arms transactions with the Islamic Republic include antiaircraft missiles, rocket-launchers, flame throwers and other destructive weapons.

The report to the U.S. Department of Defense also states that in the past few months, China has delivered a number of Silkworm missiles to the Islamic Republic, increasing the number of Silkworm missiles at the disposal of that country to 100.

The report states clearly that in the past seven months, the largest provider of arms needed by the Islamic Republic after China has been North Korea.

North Korea made \$250 million worth of arms available to the Islamic Republic in the period under discussion. These weapons include flame throwers, Squid surface-to-air missiles and other weapons requested by the Islamic Republic.

According to the above-mentioned report, the countries which are members of the Warsaw Military Pact have sold \$200 million worth of arms to the Islamic Republic in the first seven months of this year. These weapons include large amounts of light arms, military vehicles and explosives.

In the list of the exporters of arms to the Islamic Republic in the period in question, Portugal and Spain rank next, with the sale of \$150 million worth of arms to Tehran. Arms sold by Portugal and Spain mainly include technical tools and equipment needed for domestic production of arms by the Islamic Republic.

The report prepared for the U.S. Department of Defense names no other country as a deliverer of arms to the Islamic Republic. In this regard, the weekly publication MEED (London) writes: "The government of Argentina announced early this year that it had sold \$31 million worth of arms and weapons to the Islamic Republic. But military analysts believe that the value of the arms sold by Argentina to the Islamic Republic amounts to at least \$151 million."

The UN Security Council tried in 1986 to impose an embargo on the sale of arms to Iraq and the Islamic Republic in order to force those countries to end the war. But, with the exposure of the secret sale of arms to the Islamic Republic by the United States, Israel and most European countries, this organization has ceased its activities in this regard.

10,000

FISHERIES TO BUY BOATS FROM FRG

46400009a London KEYHAN in Persian 24 Sep 87 P 8

[Text] The National Iranian Fisheries Company intends to purchase nine large fishing boats from a West German firm called Seatas. The pertinent negotiations regarding the execution of this purchase began some time ago and at present these talks are on the verge of their final phase. According to the report by MID [a London-based economic weekly], the fundamental problem for the purchase of these fishing boats is the method for securing their cost. The Islamic Republic, in payment, intends to deliver crude oil to the German firm which sells these boats and apparently a West German commercial firm--whose name has not been disclosed--is busy handling the negotiations.

Although the officials of the West German firm of Seatas did not confirm the subject of boat sale to the Islamic Republic, yet some reliable commercial sources who are familiar with the trade activities of the Federal Republic of Germany disclosed that the pertinent agreement for this transaction will be signed by the end of the current month.

Three of these boats will be manufactured in the FRG and the remaining ones will be shipped to the Islamic Republic in the form of prefabricated sections where, with the cooperation of West German experts and their technological know-how, Iranian engineers will assemble the remaining boats.

The aforementioned periodical goes on to add: The Islamic Republic has extensive programs for the expansion of its fishing industry and its fish export. Some time ago the IR had also placed an order for the purchase of 16 fishing boats with another West German firm called Yans-Veroft. The total cost of this order amounts to about 70 million dollars. In addition to the purchase of fishing boats from the FRG, the IR had, some time ago, placed an order for the purchase of some fishing boats from China. At present the People's Republic of China through renting many fishing boats to the IR, helps this country with fishing in the Persian Gulf waters. Some part of the catch from this joint cooperation is assigned for domestic consumption through the National Fisheries Company, while a major portion of it is exported to other countries for earning foreign exchange.

AFGHAN BORDER CONFRONTATION LEAVES MANY DEAD

46400007b London KEYHAN in Persian 20 Aug 87 p 2

[Text] The Islamic Republic sent an official protest to Kabul concerning the attack by Afghan government forces on a border guard station and Iranian customs stations as well as the killing of a large number of Iranians.

According to the ISLAMIC REPUBLIC NEWS AGENCY (IRNA), as a result of the attack of Afghan government forces on Iranian customs facilities, two buildings in the city of Tayyebat, located in Khorasan Province, were severely damaged. The Ministry of Foreign Affairs of the Islamic Republic instructed the chargé d'affaires of its embassy in Kabul to submit its protest to the Afghan Foreign Ministry and to demand compensation.

At the same time, the Afghan government also announced that the forces of the Islamic Republic launched attacks on the Afghan forces at the border guard stations in several border areas of that country late last week. Afghan officials claimed that as a result of the attacks of the forces of the Islamic Republic, four Afghan soldiers were severely wounded. The Afghan government radio announced that because of this attack, the Afghan government has sent an official protest to the Islamic Republic.

Afghan officials added that the attack of the Islamic Republic forces on the border areas of that country was very severe, and machine guns, rockets and other heavy artillery were used in confronting Afghan soldiers.

10,000

EYEWITNESS RECOUNTS MECCA INCIDENT

46400002a London KEYHAN in Persian 20 Aug 87 p 2

[Text] We held a brief interview in London with someone who had gone on the pilgrimage to the House of God. He had read the reports published in this newspaper, considered all of them correct and impartial, and said that since he was an eyewitness who fortunately came out safely, he would give a step-by-step explanation of the incident before the interference of police:

For hours, a large group of pilgrims filled the large street leading to the sacred mosque from one side to the other, blocking traffic. Keep in mind that the people did not know what to do in their cars in the 45-degree centigrade temperatures. This group carried a large cloth sign with a slogan written on it: "Get Armed!" The faces of this group indicated that they were different from the faithful Iranian pilgrims. At the same time long lines were formed along the street. The young people who had formed the long lines, with clenched fists, regularly shouted slogans against the United States, Israel and the agents of oppression.

Several people, whose combat clothes indicated that they had not come for the pilgrimage but were members of the Guards Corps, went to the roof of the Post, Telegraph and Telephone Building. They burned the flags of the United States and Israel that they had brought along, and waved the burning flags in the air. The flames were getting close to the building and had created a dangerous situation. This building is along the way to the sacred mosque.

Five or six of the same young men in combat clothes, accompanied by a cleric, climbed the high voltage "metal posts" and hung pictures of Khomeyni and Montazeri around the posts, shouting slogans from where they were.

At this time, a commotion started among a large group of people in front of the Post and Telegraph Building, and one could sense that in the distance a group of people were fighting each other.

A few other Hezbollah members took two loudspeakers and microphone stands from in front of me towards a building. The movement of this group towards that building also completely blocked the traffic in that area.

At the same time, one group carrying pictures of Khomeyni and Montazeri stuck the pictures on the walls of the sacred mosque, the lamp posts and the windows of houses and the doors of stores.

These were the actions done by that group before the police interceded, and what you have published from the moment of the police involvement onwards, even though it is summarized, is all correct.

The haji who had returned from Mecca said: "I spoke with several of the hajis who were in our group to get their opinions, because in my opinion, these innocent people were the best judges. This is what they said":

We are truly ashamed and saddened by this incident. We do not know how it reached this point.

We were guilty . . . If you do not step on a dog's tail, it will not bite you.

Nowadays, Iranians take death with them everywhere. It is an incredible misfortune that our nation is suffering.

The poor old women who were worshipping could not escape and were trampled underfoot.

This was planned. A group of mercenaries from Tehran were instructed to do so. Why did they choose the sacred, religious Hajj ceremonies for this criminal act?

[We were shocked, as if] they were pouring boiling water and chunks of ice on our heads.

Turkish pilgrims began to violently fight the demonstrators. They supported Saudi Arabia. One or two mentioned the name of Ataturk.

Sheykh Sadeq Khalkhali was also seen in the midst of all this. I do not know what happened to him.

I did not think that a human being could die so easily. One of my fellow travelers was talking with me. A few moments later, he was killed. Indeed, what games fate plays.

I had gone to see what was happening. When the commotion started, thank God, I was able to escape under a bridge. But while I was fleeing I saw a large number of people had fallen to the ground. A lot of people died.

A person whose actions and words revealed that he was one of the rioters said: Why are you questioning; are you a counterrevolutionary? When I innocently said that I only wanted to know, he said: "We made a mistake, and they did not fool around either."

You who live abroad are fortunate. You do not know what goes on in our country. I swear to God, if my mother did not have cancer and I was not responsible for her, I would escape right here. See what misery our nation suffers.

They were watching us all the way through the Hajj ceremonies. I remember in the past when we came here, everyone followed our hajis. The good old days, they are worth remembering.

Well, this was a good example of the internal condition of Iran. We are used to these things.

Many people, especially women, were trampled to death. We were surrounded, on all sides.

The demonstrations were peaceful at first. But then they became violent. There was not supposed to be so much violence.

Salesman in a store: "Do not speak Persian here. It is dangerous. People despise Iranians."

These are the people of our country today, and there is nothing you can do about it for now. We are all waiting for a strong leader to come and sever the roots of these idiots from the very bottom.

10,000

SYRIA ALLEGEDLY PAID TRIBUTE IN EXCHANGE FOR SUPPORT

Musavi Visit

46400024a London KEYHAN in Persian 5 Nov 87 P 4

[Text] We all know that for a few months now Syria has refused to allow Mir Hoseyn Musavi to pay a visit to that country. From the day when the Syrian government did not grant a permission to Musavi--who had paid a visit to Turkey at the time and according to preplanned programs intended to travel to Syria--Khomeyni's prime minister had been faced with a critical situation at the cost of his reputation and respectability. Thereafter, he has tried every means to reach Damascus and make amends for this great political failure. Thus, last week's trip of Musavi to Syria explained the condition where, once again, the Islamic Republic had been forced to pay tribute to Syria and give in to Hafez Assad's views secretly, so that once more the half-opened gates of Damascus might let in the officials of the Khomeyni regime. It is interesting to note that a few days before the announcement of the visit of Musavi to Syria, Ali Reza Mo'ayeri, prime minister's political deputy went to Damascus and tried to convince the Syrian officials to permit Musavi a visit. It is very rare to see that the deputy prime minister make two visits to another country in one week, once in person and the second time around in the company of the prime minister.

With due consideration to the prevailing circumstances in the Islamic Republic and the regime's obvious loss of control with regard to the military and political measures of the United Nations and the West in the Persian Gulf, and furthermore the recent political thoroughfare position of Damascus, the trip of Khomeyni's prime minister to Syria is considered to be of significance. About 10 days before the trip of Mir Hoseyn Musavi, Jean Bernard Ramon, foreign secretary of France paid a visit to Damascus and held meetings with Hafez Assad. News agencies' reports indicated that the subject of western hostages, particularly French hostages in Beirut and the battle of embassies--which is still continuing in Tehran and Paris--were some of the important issues which were discussed at the meetings. On the other hand, the summit of the head of the Arab states is going to be convened very soon and it does not seem too far-fetched that a unanimous decision for action by the Arab states against the Islamic Republic could be brooding at that summit. After the attack by the United States warships on the Iranian oil platforms in the international waters, news agencies reported that the United States, through the medium of Syria has sent a message for the responsible officials of the Islamic Republic. The totality of these events together with the significant

and varied issues existing in the relations between the Islamic Republic and Syria, Damascus has become a significant and destiny-making source for the envoys of Khomeyni's regime.

The unwise policies of the Islamic Republic at this time have made Iran so isolated and likewise it has rendered the regime so vulnerable which has made that country's dependency on Syria [or for that matter its dependency on the Soviet Union] ever more predictable. In a situation like this it would not be an exaggeration to say that both the fate of the regime and the destiny of the war could well be at the whims of Mr Hafez Assad.

The true deed of the regime of Ayatollahs, versus the news reported by the mass media, is so widely different that an evaluation of the issues which have come under discussion and the end results achieved by the trip of Mir Hoseyn Musavi to Damascus, will most certainly mislead any sensible individual listening to the statements of the officials of the Islamic Republic or reading the relevant news accounts. However, what can be read between the lines is that Mir Hoseyn Musavi, in his trip to Damascus has, on the one hand tried to convince Syria to withstand the pressure of other Arab nations--which are becoming ever more unanimous with each and every passing day with regard to their position versus the Islamic Republic--and exert more pressure on Khomeyni's Arab allies, namely, Hafez Assad and Mu'ammarr Qaddafi--not to desist their support of the Islamic Republic. Most probably Syria has asked Khomeyni's prime minister in exchange for that country's support, through releasing the western hostages [or at least a few of them], restore Hafez Assad's credibility and reputation--a credibility which is badly needed by Syria after a period of isolation and severing of relations with the United States and some other European countries. Meanwhile, undoubtedly once more Musavi has deplorably asked for more weapons from Hafez Assad. Most probably, in lieu for such favors the subject of the forgotten Lebanese party have come up and the calm and daily re-adjustment of Hezbollah's operations to new situation in Lebanon, as a minor tribute to Hafez Assad, has been brought to the attention of Damascus's dictator by Musavi.

What really arouses the curiosity of some observers is the price which is paid by the Islamic Republic in exchange for Syria's support. This time, undoubtedly the premium for Hafez Assad's support of Khomeyni in the form of free and cheap oil and extending of further assistance to Syria's economy through the purchase of some unwanted Syrian commodities and the dispatch of more Hezbollahi pilgrims to Damascus, has been paid accordingly.

The fate of a regime which through its clumsy handling of the affairs and its baseless claims puts itself in a state of dependency on a second-class country like Syria, is unfortunately nothing but continual paying of bribes and tributes to such countries. It is unfortunate that the price of all such botched and bungled affairs has to be imposed on the empty treasury of Iran

Interest on Loan Extended

46400024b London KEYHAN in Persian 5 Nov 87 P 3

[Text] In order to ensure the support of Syria, the Islamic Republic on the threshold of convening of the summit of the Arab states in Amman, agreed, once again, to postpone the date of payment of interest on 1.15 billion dollars loan to that country.

According to OBSERVER weekly of London, Mir Hoseyn Musavi, prime minister of the Islamic Republic who had recently travelled to Damascus to pay a visit to Hafez Assad and other Syrian leaders, extended the grace period for the payment of the interest on a 1.15 billion dollars loan up to nine more months. From about ten years ago not only Syria has been reluctant to pay back a short-term loan to Iran, but it has not even paid the interest on this loan either. On the other hand, the Islamic Republic which is apparently in serious need of Syrian support in its political position, in addition to the large quantity of oil which it delivers to Syria gratis annually, it also has several times now been forced to extend the due date of the aforementioned loan.

The above-stated weekly further added: The Islamic Republic which is badly in need of foreign exchange, has had its doubts in further extending the grace period of the loan and the representatives of the Islamic Consultative Assembly have not concealed their doubt in their discussions.

OBSERVER further wrote: Despite everything else, the regime of Ayatollah Khomeyni has reached this conclusion that it has to save the support of Syria by all means and at all cost. Many of wealthy Arab states are trying to pay huge amounts of aid to Syria to make it desist from supporting the Islamic Republic and further align Syria's policy with those of other Arab nations.

Some political observers believe that in case the Arab states succeed in winning the Syrian support and compel it to adopt new policies towards Tehran, Damascus can at least, on an annual basis obtain one billion dollars of gratis loan from oil-producing countries like Saudi Arabia and Kuwait.

At the summit meeting of 1978, all the participating Arab nations agreed to give about one billion dollars to Syria annually, to cover the cost of Syrian expenditures in its attack against Israel. From the beginning of the war between the Islamic Republic and Iraq all the wealthy Arab nations, with due consideration to the political stance of Damascus and its support of the Islamic Republic, have gradually reduced their financial support to Syria and at present they do not make more than one-quarter of the above-stated amount available to Damascus.

Saudi Arabia and Kuwait Threatened Syria

Recently the two countries of Saudi Arabia and Kuwait threatened Syria that if it did not reconsider its political stance with regard to supporting Tehran in

the war against Iraq and other oil-producing countries of the Persian Gulf, they will put a stop to the financial assistance to that country once and for all. OBSERVER went on to write: While Syria is gradually losing its influence and financial gains and benefits as a result of the Gulf war, Egypt on the other hand, is gradually gaining credibility and significance amongst other Arab nations.

When in 1979 Anwar Sadat, former president of Egypt, signed the peace treaty with Israel, Cairo was thrown out of the circle of Arab countries. Sadat and Hosni Mubarak's support of Iraq in its war against the Islamic Republic created the chance for other Arab nations to gradually get closer to Egypt and in an indirect fashion Iraq benefited from moral and humanitarian support of Egypt too. At present, in addition to providing medical and other health assistance to Iraq, Egypt also extends military aid to that country as well. During the past several years Cairo has put a large quantity of military equipment and war materiel at the disposal of Iraq. Moreover, during the last few weeks Egypt dispatched some military experts to Kuwait and announced that in case Kuwait becomes target of an attack, Egypt will provide comprehensive technical and military support to that country. Apparently, this policy of Egypt has had a telling effect. In addition to receiving large amounts of long-term loans from Kuwait and Saudi Arabia, Egypt might soon be re-admitted into the circle of the Arab nations. At present, some of the Arab countries who do not have any political relations with Egypt, have taken steps to re-open their delegation offices in Cairo and it is expected that political and economic relations between Egypt and some other Arab countries will be established very soon.

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AYATOLLAH TABATABA'I-QOMI DENOUNCES IRI'S PRACTICES

46400027 London KEYHAN in Persian 12 Nov 87 p 4

[Text] In Issue No 172 (29 October) we published on the first page an important, exclusive report, which we received from a reliable source, on the arrest and incarceration of Ayatollah Seyyed Sadeq Qomi. The source who supplied the report requested at that time that we not reveal the actual reason for his arrest until he was able to provide us with important evidence. This evidence consists of the request for a decree by a large number of the followers of Grand Ayatollah Seyyed Hasan Tabataba'i-Qomi along with his own handwritten, 20-page response and the reason for the arrest of Seyyed Sadeq Qomi. These two documents were prepared in multiple copies and distributed among the people. Copies of these letters, which reveal much of the injustice toward Ayatollah Qomi on the part of the ruling clerics, were also put at our disposal by the same reliable source. Because the copy we received is not completely legible, there are instances, especially in regards to Arabic words, for which we must offer our apologies.

The segments in which ellipses occur were not legible.

The Text of the Request for a Decree

In the name of God the compassionate and the merciful.

To the blessed and pious religious jurist, the revered source of emulation, the fighter and defender of Islam and Shi'ism, Your Holiness, Grand Ayatollah Haj Hasan Tabataba'i-Qomi, may your grand shadow continue, with greetings and respect, while seeking to know of your blessed health and praying for the elimination of the restrictions on Your Excellency and the liberation of everyone, we trouble you with:

As far as we know and have heard and read in Your Excellency's statements, telegrams, speeches and interviews, Your Excellency has never called the people to riot, strike, march, kill, etc. Then, why has the regime that claims to be Islamic imprisoned you in this manner, preventing communication with you by your devotees, cutting off your

telephones, and not even allowing a number of your relatives and some of your grandchildren to have audience with you?

They claim that there has never been such freedom in Iran, but in an Islamic regime, freedom should at least exist for religious jurists and grand sources of emulation to be able to express their decrees. Should your teaching sessions and propagation meetings, which have been truly unmatched or rare and in which you have always tried to propagate the guardianship of the holy family and the spread of religious knowledge, be closed down most mercilessly and dictatorially?

We have heard that, most unfortunately, in addition to incarcerating Your Excellency in your own blessed home, the agents of the regime are residing there and have taken over some of the rooms. And even though Your Excellency has expressed your discontent, they pay no attention and engage in other acts of interference. Also, we have been informed that Your Excellency had been involved in building a very equipped hospital in one of the oppressed areas of the sacred city of Mashhad and that planning, designs and a great deal of the construction material have been prepared and preliminary steps have been taken; however, despite the vital need of the area for a hospital, most unfortunately, the regime has stopped the construction and even openly takes the existing steel!

Your Excellency, Ayatollah, in the opinion of a group of your devotees, all of these problems that have been created for Your Excellency are the result of your announcement of your revered opinion on the prohibition against the present destructive, futile war and your other decrees. Therefore, the request is being made that you respond to the following questions in detail so that we, with divine help and power, by publishing Your Excellency's response and informing the world of it, can, firstly, publish the religious jurisprudential decrees of that fighting source of emulation, and, secondly, draw the attention of the people of the world to a sample of what occurs in this country in the name of Islam, so that the world will know to what extent this regime acts contrary to the illuminating religious laws of Islam.

In conclusion, we ask God for Your Excellency's speedy release and for your health, dignity, visible and spiritual success and the opportunity to meet you.

Text of questions:

1. What is your opinion concerning the destructive war?
2. The regime says: "Peace between Islam and infidels is meaningless. We cannot make peace. Also, our war is defensive and is similar to the battles of the Commander of the Faithful." How do you evaluate such claims?

3. What is your blessed opinion in regards to the "punishment of the aggressor" at any price? Also, the victims of this war must not be wept for, according to the regime, because they go to heaven. Is this correct?

4. What is your blessed opinion concerning the principle of the "guardianship of the religious jurist," the necessity of establishing a government of religious jurists, and the authority of the religious jurist (during the occultation of his holiness, the Guardianship of the Age)?

5. Is what is generally carried out in the name of Islam proper and approved by Your Excellency?

6. If you have a message for your oppressed compatriots, the Muslims of Islamic countries and the people of the world, please state it.

Once again, we wish Your Excellency success, good health and a long life and hope for the freedom of all.

Signed by a large number of devotees of the Ayatollah in the bazaar, the University and the guilds of Tehran.

The Text of the Decree of Grand Ayatollah Hasan Tabataba'i-Qomi

I speak to you from the corner of a house which is under siege by a group of unjust criminals, the agents of the anti-Islamic, anti-human government.

In the name of God the compassionate and the merciful. Blessings upon the chosen worshippers and curses upon all of their enemies.

My greetings to you gentlemen, as well as the Muslim nation of Iran and all faithful Muslims of the world--may they succeed in all that is good and may they be protected from all evil and the evil of this corrupt and cursed government.

I speak to you under restrictions and hardship from the corner of this house which is under the full siege of a group of unjust criminals, the agents of the anti-Islamic, anti-human government. All that you have heard concerning severe restrictions, including disconnecting telephones, prohibiting meetings with the faithful and even many of my relatives and next-of-kin, as well as the miscarriage of justice, the takeover of some of the rooms, the wasting of water and electricity, blocking the construction of the hospital, and many other problems, is correct and is to be expected of the agents of the anti-Islamic, anti-human government. However, I have no complaints, because during the previous regime, as well, I endured imprisonment, exile, house arrest and hardship for years. Tolerating such conditions seems to have become second nature to me. Even though the crimes of criminals who are from our own family are much harsher and more severe, those committed in the

name of Islam, which harm Islam and Shi'ism, cut much deeper and are more severe than the actions of the previous regime. In some of my speeches and pronouncements, I have pointed out that I was not killed by the previous government and regime, but that I might be killed by these criminals. But at the same time, I have no complaint about what has been done to me, because our leaders suffered much at the hands of the powerful of their time, in comparison with which my suffering is insignificant. However, what does bother me and what causes me to suffer deeply are the tragedies and violence inflicted upon these noble and oppressed Muslims. The countless killings, jailings, tortures, confiscations, and usurpations of property, and the disrespect, aggression and crimes inflicted on all Muslims, and more than that the harm inflicted by this oppressive government upon Islam and Shi'ism, have altered the illustrious face of Islam and Shi'ism, for ourselves and for others, domestically and abroad. A large number of people have turned away from religion because of what this group ascribes to Islam, and those who had their hopes set on Islam and were optimistic about Islam have been alienated. These events have caused me distress. Yet, I can do nothing but pray to the Almighty, and rely on the kindness of his holiness the Guardian of the Age to eliminate the violence and problems of Islam. Not a day goes by during which I do not pray several times for an end to these events and ask God to improve the situation.

In regards to their claim that there has never been so much freedom in Iran as there is now, the answer is: If what they mean is that never before this regime have the ruling groups and the government organizations in Iran been so free to neglect to observe religion, logic and law, humanity and conscience, mercy and emotion, and the feeling of shame, yes, what they have said is correct, to some extent. Such an example of unbridled behavior is rarely found throughout history. However, if they mean that the people of the country have never had so much freedom, perhaps one might say that rarely in the history of the Iranian people have they been victims of such strangulation, suffocation and terror. No freedom exists for anyone now. Freedom exists only for the ruling group and their mercenaries. As was said, the great tragedy is that they carry out all of this injustice, oppression and violation of the lives, property, reputation and dignity of Muslims and Shi'ites in the name of Islam and jurisprudence guardianship. God Almighty, the Prophet of Islam, and Islam are disgusted with their deviant Islam. In any case, in keeping with my religious duty as a religious jurist under oppression, I have made pronouncements whenever necessary, and I will continue to do so, God willing, in the future. Of course, others are also responsible to carry out their religious duties. We do not consider silence permissible under such conditions. We have prepared ourselves for the consequences of this action.

In regards to the question concerning our view about the war and our opposition to its continuation, which has caused so many shortages and so much hardship, your assessment is proper to some extent. But I should point out that the reasons behind our opposition to the religiously illegal actions of the previous regime are the same as those

which caused us to warn the officials and the people. In like manner, we oppose the religiously illegal actions of the regime as well. God willing, we will be victorious, because our opposition to them is not rooted in personal animosity, and we have not joined in an alliance with anyone else, except as religious brothers. As far as possible, we want to protect Islam and Shi'ism, to implement Islamic rules, to avoid approving of religiously prohibited practices by our silence, and to avoid staining the pure face of Islam. Hence, in accordance with our religious duty, in this general movement, whose goal is the victory of Islam and the implementation of its rules, after the establishment of the infamous Revolution Council, we sent a message meant as advice to the above-mentioned Council and offered the necessary reminders concerning some of the religiously prohibited practices and illegal actions that were being carried out and which altered the pure face of Islam. Since our beneficial and constructive advice was not to their liking, they began opposing us then and there. Later, again in accordance with our religious duty, we expressed our opposition to certain articles of the so-called Constitution which, in our opinion, violated religious laws. From then on, their opposition to us increased. And when we announced our opposition to this destructive war, considering it a decisively prohibited act harmful to Islam and Muslims, their opposition to us reached its peak, as did their poisonous propaganda against me, which was quite predictable to us.

Rarely in the history of the Iranian people have they been the victims of such strangulation, suffocation, and terror. No freedom exists for anyone now.

In regards to our views concerning the continuation of the war, we have expressed them in detail in previous pronouncements and speeches. In short, the continuation of the present war is decisively prohibited. Killing and being killed in this war is religiously prohibited. Going to the front is prohibited. Assisting this war is prohibited. Any form of encouragement or approval given to going to this war is absolutely prohibited, and we are obligated to oppose it. A war was planned through the conspiracy of foreigners. Two groups of Muslims are set against each other. Each kills large numbers of the other. They injure, maim and capture each other. The economic, military and residential centers of both countries are destroyed. Cities and villages are destroyed. Women become widows and children become orphans and lose their guardians. Irreparable damage is inflicted on both Muslim neighbors. Two great powers in the Middle East are weakened by each other's hands. Arab countries are encouraged to purchase arms for themselves or to assist Iraq, and a great deal of money is spent on the purchase of arms. This war is decisively prohibited. Why should this tremendous amount of money not be spent on building and equipping Islamic countries? Do they not say themselves that Iraqi soldiers are sent to the front by force? Can the killing of such helpless soldiers who have been forced to fight be permissible and still bring victory to Islam?

Why do you not stop this war and give the opportunity to these two poor nations to rebuild?

Why do you not allow the Iraqi nation to decide and act for itself?

Could there be any other reason but the fact that they consider the continuation of their regime directly linked to the continuation of the war and inciting the emotions of a bunch of people who possess sincere faith but lack awareness?

They want to keep the nation preoccupied with the war in order to avoid having to justify the tragedies and other vital domestic problems and to avoid the existence of the regime being questioned.

In regards to their claim that our war is a war between Islam and infidels and that peace between Islam and infidels is meaningless, do you think that all the Iraqi soldiers against whom you fight and who, according to you, are forced to come to the front are infidels? Or is it not true that the majority of them are Muslims, mostly Iraqi Shi'ites, thousands of whom you declare most proudly that you have killed or injured?

You boast of killing the Muslim and Shi'ite followers of the Commander of the Faithful, peace be upon him, and state that you want to liberate the people of Iraq from the Ba'thist Party. Is this the rationalization with which you will respond in your grave, before the court of divine justice, and on Resurrection Day? What you say is not true. Rather, with such arguments and crimes you hope to continue your government for a few more days. Besides, supposing the impossible, that your war is a war between Muslims and infidels, in that case, peace between Muslims and infidels would not only be meaningful, but, given that our interests dictate it, obligatory.

The statement that those who are killed go to heaven and that rather than mourn them we must celebrate and offer congratulations to their survivors is absolutely irrelevant and smacks of infidelity and heathenism.

These people who are intoxicated with their own selfish desires and the pride of government and short-lived worldly rule have forgotten the character of the Messenger of God, peace be upon him and his family. Despite the fact that a peace treaty would be similar to the famous peace treaty that the Messenger of God, peace be upon him and his family, signed with the Qoreysh infidels, when it was agreed that there should be a cease-fire and peace for a period of 10 years between the Muslims led by His Holiness and the Qoreysh infidels, I must point out that the Messenger of God, peace be upon him and his family, himself and his family had suffered much harm from the Qoreysh infidels in the Badr and Ohod battles and on other occasions, and that the survivors of the martyrs of Islam never protested to the revered Prophet that they had

given martyrs and now he was going to sign a peace treaty. Hence, the Messenger of God, peace be upon him and his family, made peace. Yes, the anti-Islamic, anti-human Republic is quite unaware of such matters. But to compare this strange war with the wars of his holiness the Commander of the Faithful, peace be upon him, is ignorant. There is not the slightest similarity between them, because, according to the reported sayings, His Holiness was assigned by the Messenger of God, peace be upon him and his family, to engage in those three wars. 'Ali, peace be upon him, was commanded to kill the disrupters, the oppressors and the deviants and did so not to be negligent of what he had been commanded . . . [Arabic]. Because these wars were upon the explicit command of the Messenger of God, peace be upon him and his family, they were obligatory to His Holiness. Secondly, during the time of the Infallible Imam and his revered relatives, it was obligatory. Various kinds of holy war have been made especially explicit: holy war against revolutionaries, rebels, and those who conspired against the Infallible Imam must be fought. The three groups against whom his holiness the Commander of the Faithful, peace be upon him, fought were all revolutionaries and those who conspired against His Holiness, and holy war against them was obligatory.

Thirdly, since His Holiness was the decisive calif of the Messenger of God, peace be upon him and his family, as agreed both by Sunnis and Shi'ites, even though the Shi'ites believe him to be the first calif and the Sunnis believe unanimously that he became calif after the death of Osman, and since uprising against the decisive calif of the revered Prophet, peace be upon him and his family, is considered the greatest of prohibited acts and would decisively require holy war

[As published] the holy wars of His Holiness against these three groups were based on these reasons. Fourthly, those three wars involved domestic rebellion rather than war between two countries. Fifthly, those three wars involved His Holiness and his Shi'ites, on the one hand, and his enemies, who were all actual, true infidels, on the other. Even though it was possible to carry out worldly laws concerning them, His Holiness never killed his own Shi'ites. But in this war, most of the opponents are Shi'ites of His Holiness, because the majority of the people of Iraq who are killed or injured are Shi'ites, and you boast about killing and injuring them. There are other reasons for there being no similarities, on the whole, between this war and those three wars. In any case, this war cannot be justified. Going to another country and fighting in that country cannot be called defense. It should not go unsaid that in the beginning of this war, I categorically condemned fighting between two Islamic countries in two pronouncements, both in Persian and in Arabic, and pointed out to both sides its harmful effects, and stated that under no circumstances do we consider war to be in the interest of the Islamic world and Muslims at the present time, especially since the bombers of the other side kill, injure and mame innocent Muslims and destroy the Muslim centers and in retribution we too attack their cities with bombs and missiles, killing innocent Muslims who are not involved in the war and destroying their homes and

residential and commercial centers, despite the fact that the Koran says: "No . . ." No one must be punished for the actions of another. In regards to their claim that they want to punish the aggressor, of course, punishing the aggressor is proper in accordance with religious and rational precepts. But what religion and what mind, law, logic or conscience would permit punishing the aggressor by committing so many crimes and violations against religion and rationality--by destroying hundreds of thousands of Muslim lives, wasting Muslim reserves and treasuries, leaving behind thousands of maimed and injured persons, making widows of thousands of woman, killing the guardians of the children of Muslims and committing other crimes and violations--and all that only in the hopes of punishing him, which you may or may not be able to do? But you must know that these crimes and violations which you commit shall not go unpunished by the True Judge and Avenger, whether in this world or after your death. As a trusted and sincere advisor, I advise you to weep and wail before Almighty God, repent your past crimes and end your future crimes, so that

If you mean that the same type of open, extended guardianship which is conferred upon the Revered Messenger and the infallible imams also extends to the religious jurist, it is decisively false.

at least your divine punishment would be reduced. You are told to love the advisors, because divine punishment is severe. God Almighty said that fire [Arabic]. Do not burden yourselves with the weight of the blood of hundred of thousands of Muslims and Shi'ites and the destruction of billions in the wealth and reserves of the country. You are responsible for the Muslims and the wasting of their property and wealth. [Arabic.]

In regards to the statement that since the victims of the war go to heaven they should not be wept for, rather their deaths must be celebrated and congratulations offered to their survivors, firstly, I have pointed out that this war is absolutely prohibited, and that killing in it is prohibited. Secondly, regarding the statement that they go to heaven, that they should not be wept for and that their deaths must be celebrated, supposing that these victims go to heaven, such statements are totally irrelevant and improper claims. Rather, they smack of infidelity and heathenism, because we know that in the Ohod battle, after the martyrdom of his revered uncle, his holiness Hamzeh, his holiness the Revered Messenger, blessings upon him and his family, wept for his uncle and encouraged others to do so. His Holiness and the infallible imams, peace be upon them, wept at the martyrdom of their ancestors and forefathers; and his holiness, the Sire of the Martyrs, peace be upon him, wept at the martyrdom of his holiness 'Ali Akbar, his holiness 'Abbas and his holiness Qasem. Therefore, when they state that martyrs should not be wept over, they are indicating that they consider this action of the Messenger of God, peace be upon him and his family, and that of the infallible imams to be false and, God

forbid, regard it as stemming from ignorance, while they consider themselves to be more knowledgeable than those revered ones.

This is what smacks of infidelity and heathenism. Of course, the statement has been made that after the battle of Badr and the killing of a group of the Qoreysh infidels, Hend-e Jegar Khar ordered the survivors of those killed not to weep. In their actions these gentlemen are following Hend-e Jegar Khar rather than the Messenger of God, peace be upon him and his family, and the infallible imams, blessings upon them, despite the fact that the Koran says: "[Arabic]."

In regards to your other question, even though I have explained it in detail in previous statements, I will briefly mention it again. If you mean that the same type of open, extended guardianship which was conferred upon his holiness the Revered Prophet and the infallible imams, peace be upon them, also extends to the religious jurist, it is most certainly false. That kind of guardianship relies on possessing the full power of infallibility, which a religious jurist can never possess. For this reason, no matter how informed, pious and godly a religious jurist is, or what a strong sense of justice he possesses, he is naturally subject to error, forgetfulness and other physical factors which might cause him to commit an act that would not be in the interest of

The illustrious religion of Islam would not present a person as an unquestioned ruler without any sensible, tangible, legal condition, nor place his rules on the same level as those of the infallible ones. I would never accept such an insult against the Shi'ite school.

Muslims and Islam or worse, to be to the general detriment of Islam and Muslims. Hence, our just God has not given such a guardianship to the religious jurist. And even if we accept the impossible supposition that there is such a guardianship, it must be in accordance with the actions of the Messenger of God, peace be upon him and his family, who, despite possessing such absolute guardianship, which was proven for him in accordance with the explicit text of the Koran, never practiced it. Yes, some believe that in one or two instances, with special preliminary steps, he practiced such guardianship. But there is also doubt that he ever did so. Even so, in all instances, even when necessary, he obtained the permission of the individuals involved rather than using this guardianship as an excuse to violate the position and property of Muslims, to frequently confiscate people's property and collect cash fines from them, and, by changing the Islamic rules and principles, to consider everything permissible. May God protect us from the evil of our desires.

In regards to the question of whether Islamic government is conferred on the religious jurist, that is, as God Almighty has conferred Islamic government on the infallible ones, peace be upon them, he has also

conferred such a government on the religious jurist, in my opinion, God Almighty has not conferred Islamic government on the religious jurist as a religious jurist, because it seems farfetched and impossible for God Almighty to grant the right to establish a general government to a person who is not infallible. Firstly, a religious jurist may unintentionally issue a decree which is not a divine decree, and certainly it is not permissible to follow such a decree. Hence, a government that is conferred by God is created for an infallible person or a person who is accompanied by an infallible person who guides him and would not allow him to commit errors, such as . . . the prophet of whose time was his guide. Secondly, at any given time there are several religious jurists whose religious opinions do not agree. If every religious jurist has the duty to establish a government and the people are supposed to follow him, naturally, such an arrangement would not only fail to result in order in the Islamic society but would actually cause chaos in the Islamic world, because in the opinion of one religious jurist, an issue may be beneficial and necessary for Islam and Muslims, whereas it may be harmful and prohibited and must be prevented, according to another. The opinion of a third jurist might not agree with these two, and so on. For instance, in my opinion, the decree of the guardianship of the religious jurist and acting upon such a view to that extent is harmful to Islam and is a great blow and stain on the pure, bright face of Islam and Shi'ism. But they say it is permissible, beneficial and necessary, and they act accordingly. Also, the continuation of the war under the present conditions, in my opinion, is harmful to Islam and Muslim society and in the interest of foreigners and is absolutely prohibited. They say it is permissible, necessary and even obligatory. Also, in my opinion, God has made Mecca a place of safety and security for all people, not only for human beings but even for the animals who live on one's body, who cannot be killed. It is even prohibited to pull up trees and plants; and it is obligatory for everyone to respect that sacred place. Hence, in order to preserve respect for and not violate that place, his holiness, the Sire of Martyrs, peace be upon him, left that location so that his sacred blood would not be spilled there, not to show any disrespect towards the temple of God. Hence, it is our duty to preserve the security of that sacred place to the best of our ability and not to engage in provocative actions and slogans that incite emotions. But these people say that it is permissible and even necessary. Also, in the religion of Islam, intent and decision without the commission of an act cannot be punished by death, yet they say that punishment for it is death, and in some cases the minimum penalty is death, and they have acted accordingly. In our opinion, many of the executions, confiscations, fires, and lashings and the disrespect that have been inflicted have not been in keeping with religious standards, and actions that have been carried out contrary to religion cannot be called religious punishment. Some of the actions that have been committed were either not punishable by religious law or the punishment for them was not carried out in accordance with religious standards. Hence, as was said, the opinions of religious jurists differ and, from a religious point of view, one is not preferable to another, because if you believe in conferring such a

position on the jurist, every jurist will have such a position and his rules will be preferred by himself and his followers. For this reason, evidence indicates that government and guardianship over the public, as it is understood from the famous tradition of 'Elal al-Sharaye', has not been conferred on the religious jurist. Perhaps it was to preserve this rule that despite the fact that there are no differences of opinion among the infallible imams, peace be upon them, if at one time there were two imams, one would speak and the other would remain silent. If it is said that the responsibility for government during the time of the occultation of the infallible imam is an obligation till fulfillment, which is to say that when one person or a group takes the responsibility, others will be exempt from it, the answer is that in all obligations till fulfillment, if a faithful Muslim takes over an action and engages in doing it, if we are certain that he has unintentionally and mistakenly committed an action contrary to religious law, others are not exempt from that duty. For instance, if a Muslim person is giving ablution to a corpse and mistakenly washes the left side first, then the right side and then the head and neck, the duty of administering ablution to the corpse is not removed from others. The corpse must be given ablution in accordance with religious rules. What was said in regards to differences of opinion between religious jurists and the like concerning affairs that, in our opinion and that of many other religious jurists, are certainly contrary to divine law and harmful to Islam and Muslim society had to be said.

More important than all of these reasons, in my opinion, is an important social and human point that God Almighty makes in the Koran: Verily that man . . . [Arabic] It shows the nature of a human being, that when he sees himself without needs, he begins to rebel. This and similar statements are not true in regards to the infallible ones, but the religious jurist is not safe from mistakes, errors and other internal and external factors. If the divine Islamic government is conferred on him, as it was conferred on the infallible ones, especially if absolute guardianship is conferred on him to the extent that he sees himself to be without need and an absolute, unchallenged ruler, he will rebel in accordance with human nature, as the Koran states. Even if he is just and very religious, and his religiousness and justice prevent him from intentionally committing an offensive act, he may commit many errors by mistake that are contrary to God's pleasure and the interests of Islam and Muslims in general or Islamic countries and which might be in the interest of infidels and foreigners. Obviously, the illustrious religion of Islam would not introduce a person as an unchallenged ruler without any sensible, tangible and legal conditions and place his rules on the same level as those of the infallible ones, peace be upon them. I would by no means accept such an insult to the Shi'ite school and would not approve of any sort of dictatorship.

In conclusion, it would take a great deal of time to state the religious, legal and rational problems of this regime. In my previous statements, interviews, telegrams and letters, I have discussed my

objections. Hence, to be brief, I will suffice by stating what is necessary.

Firstly, I declare to all the people of the world, the knowledgeable people and Muslims, that many of the

God Almighty made Mecca a safe and secure area,
even for wild animals, birds, trees and plants.

actions that have been carried out in the name of Islam since the present anti-Islamic regime in Iran are not related to the true school of Islam and the illustrious religion of Mohammad, peace be upon him and his family, and are often contrary to the decisive texts. You should not, God forbid, protest and ridicule the exalted school of Islam for the actions of this anti-Islamic group. Remember that throughout the course of history, the governments of the Omayyeds, the Marvanites, the 'Abbasids and others have often taken improper advantage of the blessed name of Islam, and simple-minded people, because of their interest in religion, have supported and approved of them.

Secondly, it is obvious that no regime, no dictatorship, and no party would decline to speak, and in its propaganda and the promises of its ideas, plans and views, it would not reveal its weak and deviant points. All their slogans and propaganda call the people to a utopia, and some even call them to earthly riches and an ideal society. But the true measure of their truth or falsehood are their actions and the actual results of their work. The world has never paid attention to the cantankerous propaganda of the radio and television and the confiscated newspapers of this Republic, nor must it do so. Instead, we must see what they have done in practice. Did they destroy the jails of the previous regime and build schools and hospitals in their place, or have they increased the number of prisons? Are there no political prisoners in this country, and are political defendants tried in accordance with religious and rational standards and treated in accordance with religious rules, or are a large number of people jailed in the worst physical and psychological conditions without having their offenses proven, and have some of them even been executed contrary to divine rules? Has education become free of charge or have the fees for elementary, secondary and university education increased dramatically? Are hospitals and public services such as water, electricity, telephone, and buses free of charge? Is freedom of expression, freedom of elections, and freedom for religious jurists and sources of emulation practiced? Have the prices of general foods declined? Have residences been built for the oppressed classes, and have the problems between landlords and tenants been resolved? Has the police government's strangulation, spying and severe censorship of the press stopped? Do people not live most harshly in suffocation, terror and fear of a group of armed people and the spy and intelligence center?

There are many ailments and calamities. Next to the shrine of his holiness 'Ali ebn-e Musa al-Reza, every day and every night I raise my hands to God pleading for an end to the problems and hardship in the Islamic world. I hope with the blessing of the Imam of the Age, he will be generous to us and all hardship and problems will be removed and solved. I ask that all Muslims of the world also plead and weep, resorting to God and asking the kind Creator to end all hardship . . .
[Arabic]

(Unfortunately, the last four lines of the message, which is a prayer in Arabic, is illegible in the copy that we have received.)

Signature

Al-Qomi (with seal)

10,000

ONE BILLION DOLLARS IN DAMAGES PAID BY INSURANCE COMPANIES

46400008a London KEYHAN in Persian 20 Aug 87 p 8

[Text] Any oil tanker owner who is prepared to send his ship to the dangerous waters of the Persian Gulf to transport oil stands to profit by more than 1 million British pounds (\$1.59 million) for every trip. Some oil tankers which traffic the Persian Gulf bring up to \$240,000 in net profits to their owners daily. The income of one day of one oil tanker is sufficient to pay the additional insurance premiums of the oil tanker.

Among the customers for the oil from the Persian Gulf region countries, Japan, more than anyone else, wants to see the oil tankers used. For this reason, the huge transportation fees that country pays for the transport of oil to their ports naturally contributes to an increase in the transport fees for European ports as well. In the past, at the mouth of the Persian Gulf near the Port of Fajireh, numerous oil tankers were ready to leave for various Persian Gulf ports as soon as there was a customer.

Today, however, due to the critical situation in the Persian Gulf and the unprecedented increase in threats due to the war and underwater mines in the area, waiting in the waters of this area to carry oil is no longer particularly attractive. For this reason, oil tankers no longer wait in their usual spots for customers. This situation has resulted in the increase in the rental fees of the tankers. Ship dealers on the international markets anticipate that the market for oil tankers trafficking in the Persian Gulf will continue to thrive for several months. In addition, in the course of the past few months, the price of used oil tankers has also increased to an unprecedented level as a result of the increased demand and the shortage of supplies.

Statistical sources on international shipping announced that international insurance companies have so far paid more than \$1 billion to the owners of oil tankers and commercial ships in the Persian Gulf.

Furthermore, these companies have paid \$286 million in damages for commercial vessels trapped in the Persian Gulf at the beginning of the war. The above-mentioned statistical sources revealed that Lloyds, the

international insurance company, has paid at least \$140 million in compensation to the owners of damaged oil tankers in the past 12 months.

The value of the cargo of any given oil tanker can generally amount to from \$50 million to \$55 million. Nevertheless, the compensation paid for the loss of cargo has by far exceeded the compensation paid by insurance companies for damage to ships.

An international shipping expert told John (Peti), the analyst of THE DAILY TELEGRAPH (London): "So far, the transport fleet of the Islamic Republic that carries Iranian oil from the Kharq terminal to the floating reservoirs of Siri Island and the oil exporting piers of Lavan and Lark Islands have been in more danger than other oil tankers trafficking the Persian Gulf. Most of the oil tankers belonging to that fleet are insured by British insurance companies."

THE DAILY TELEGRAPH reported some time ago that the Islamic Republic had recently purchased a used 280,000-ton oil tanker from Total Oil Company for \$10 million. In addition to this oil tanker, the national oil transport company also bought another oil tanker from Japan some time ago, with a 216,000-ton capacity.

It was announced in London in the middle of last week that with the incident involving the Texaco oil tanker which hit a mine (carrying Iranian oil) near Fajireh Island, British insurance companies immediately increased again the insurance premiums for oil tankers destined for those regions, as they have done several times before. Informed sources announced that because of the high insurance premiums for oil tankers destined for those regions many oil tankers that are now trafficking the dangerous waters of the Persian Gulf are not insured at all, and in the event they are damaged, their owners stand to suffer huge losses.

10,000

REGULATIONS ON IMPORT-EXPORT OF GOODS BY TRAVELERS DETAILED

46400021 Tehran KEYHAN in Persian 16 Sep 87 p 18

[Text] Economic service.

The new national import-export law for 1366
[21 March 1987-20 March 1988] and its related
implemental bylaws were announced to various
departments.

This law includes new cases regarding the national foreign policy of the country, the pricing of export currency, lists and price ceilings for lawful goods brought in by travelers, regulations for the import of goods by workers residing in the sheikdoms of the Persian Gulf areas and the cooperative companies of border-dwellers, the composition and price ceiling for goods sent abroad by mail as gifts, and so on.

Because of the importance of this law, parts of these regulations and the implemental bylaws which are general in nature are published here.

Article 8. In purchasing goods from abroad, the government is responsible to give top priority to countries with which there is a relative trade balance, excluding oil exports.

Article 9. The government is responsible to give priority to Islamic and nonaligned developing countries in regards to trade, with consideration for the interests of the Islamic Republic of Iran, provided they do not hold positions contrary to Islam and Muslims.

Article 11. The minister of commerce is responsible for presenting a report to the trade and plan and budget committees of the Majlis once every four months, to include the share of various countries in foreign trade, the composition of imported and exported goods, details on tariffs, foreign currency and rial value and volume, and a comparison of the period of operation reported with similar periods in previous years, along with a projection for the future of the national trade of the country.

Article 25. Exporters who sell the currency obtained from their exports to the banking system will be eligible for an 11-percent discount on currency agreements in compensation for waste and transportation costs and as an export incentive. Discounts exceeding 11 percent shall require the approval of the committee on Article 26 of this law.

Article 26. In order to provide incentives for exporters of non-oil goods and ensure that the production and export of such goods thrive, the Central Bank of the Islamic Republic of Iran is responsible to purchase, within a period of one month from the date of deposit, the currency obtained from the sale of the above-mentioned goods, calculating export prizes that are determined and announced by a committee comprised of the representatives, the director general of the Central Bank, the ministers of commerce, economic affairs and finance and the related ministries (depending on the kind of goods) and the director-general of the center for expansion of Iranian exports.

Note 1. The decisions of the above-mentioned committee shall be implemented on the basis of a majority vote.

Note 2. Preferred prizes shall not be subject to a decrease for a period of one year. After one year, they shall include agreements that have been deposited after that date.

Note 3. Rial funds for the payment of preferred prizes shall be provided from the import of goods for which the sale of non-oil currency is approved and announced by calculating export prizes [as published].

Note 4. The prizes must be determined so as to ensure a reasonable profit for exporters as well as non-oil export incentives, but also so as not to cause inflation in the society.

Article 29. Production, industrial and mining units that engage in the direct export of their products shall be exempt from income tax on the equivalent of 50 percent of the value of their exports.

Article 35. Considering the importance of self-sufficiency to agricultural production and the importance of mechanization to increasing agricultural products, and taking into consideration the priority given to the domestic manufacture of agricultural machinery and equipment along with the growth and development of the machine-manufacturing industry in the country, the government is responsible for presenting to the Majlis for ratification a bill to gradually eliminate the customs tax exemption on such goods within six months.

Article 38. The government is responsible for trying to limit the variety of imported machinery and equipment and for selecting kinds appropriate to domestic production. In doing so, it must select, as much as possible, those for which the spare parts are not produced exclusively in one or two countries.

Article 40. The government is responsible for preparing and announcing a separate list of goods that can be imported with the currency obtained from exports, which do not involve the transfer of currency and are based on the needs of the country.

Sales procedures shall be determined in the implemental bylaws according to a currency rate appropriate for each item and taking into consideration the mutual interests of exporters and importers.

Note 1. Imports vis-à-vis exports may take place prior to the export of goods provided the necessary banking collateral is presented to the bank.

Note 2. The import or release of goods without a currency transfer shall be contingent on permission from the Ministry of Commerce, and the conditions and amounts shall be determined in the implemental bylaws.

Article 41. Article 20 of the customs affairs implemental bylaws ratified on 20/1/1351 [9 April 1972] is amended as follows:

"Each year, unused items and foodstuff, up to a cost price of 50,000 rials, brought in by passengers subject to Paragraph 5, Article 37, of the customs law, provided they are not commercial items, can be released to each passenger (regardless of the number of trips) exempt from customs taxes. All related fees for amounts exceeding 50,000 rials must be paid. Goods exceeding this amount shall be subject to the general export-import regulations. In subsequent instances, only up to 50,000 rials in non-commercial goods can be released, without any exemptions."

Note 1. The list of goods brought in by passengers and the regulations for their release will be determined in the implemental bylaws.

Note 2. Goods prohibited from import, video recorders and cameras, fruit, seeds, saplings, flower gourds and other botanical items are not subject to this article.

Note 3. In addition to the above privileges, workers residing in the sheikdoms of the Persian Gulf who have job permits from the Ministry of Labor and Social Affairs may import up to 200,000 rials worth of permissible goods without obtaining permits, provided they pay all commercial fees and other taxes and sell them under government supervision.

Passengers and workers may purchase from the above-mentioned stores within a period of one month after their arrival in the country the equivalent of the difference in the amount of goods they have brought along and the amount established in Article 41 of this law.

The procedures for the procurement and protection of goods for the stores at the entry points shall be in accordance with the regulations

concerning Chapter 3 of Part 8 of the implemental bylaws of the customs law.

A list of imported goods and domestic products that can be offered by the above-mentioned company will be ratified by the Cabinet.

Section on the Implemental Bylaws of the New Law

Article 14. The cooperative companies of the border dwellers or the border dwellers themselves may import the following necessary goods, within the limits of the value ceiling established in Note 3, Article 12, of the law(1):

Dates, unripe dried dates, peanuts, roasted chick peas, cumin seeds, pumpkin seeds, coriander seeds, roasted pear seeds, turpentine trees, henna, dyes and indigo, gypsum, ready-made indoor and outdoor construction stones for buildings, tiles, handicraft products. Also, as determined by the committee on non-oil exports, the import of the fishery and agricultural products of the province is allowed upon depositing collateral or currency guarantees accepted by the local bank, with consideration for other export regulations and within the periods established for currency agreements vis-à-vis exported goods in accordance with the list in Article 15 of this law.

Note 1. If the cooperative companies of the border dwellers or the border dwellers themselves do not take steps within the specified period in regards to importing goods vis-à-vis their exports and do not present their customs permits to the local bank, that bank shall be responsible for refusing to accept their deposits or currency guarantees until all previous commitments have been taken care of and to report the details for prosecution and settling the account to the Central Bank of the IRI. While the account remains unsettled with the Central Bank, such persons shall be ineligible to take advantage of the border trade benefits.

Note 2. Imports prior to exports by the cooperatives of the border dwellers or the border dwellers themselves are contingent upon obtaining a prior permit from the Ministry of Commerce and the providing the necessary guarantees to that Ministry.

Note 3. The cooperatives of the border dwellers and the border dwellers themselves are required to show the necessary permits for the export of goods.

Article 15. The amounts and conditions of importable goods by the cooperatives of the border dwellers or the border dwellers themselves shall be as follows, with consideration for the value ceiling determined in Note 3, Article 12, of the law.

A. Importable Goods

1. Edible rice, 200 kg per person per year.
2. Edible shortening or vegetable sunflower or corn oil, a total of 15 kg per person per year.
3. Black tea, five kg per person per year.
4. Sugar cubes and sugar, 15 kg per person per year.
5. Tamarind, three kg per person per year.
6. Spices, one kg per person per year.
7. Plastic mats, one per person per year.
8. Roofing insulation batting, one set for every five persons per year.
9. Natural gas air conditioning, 1 unit for every 10 persons per year.
10. Desalination machines.
11. Domestic sewing machines, 1 for every 10 persons per year.
12. Bicycles, 1 for every 10 persons per year.
13. Tea thermoses, one for every five persons per year.
14. Tea glasses and saucers, a set of six per three persons per year.
15. Teapots, one per five persons per year.
16. Kitchen knives, one per person per year.
17. Radios with legal frequencies, without tape recorders, one per five persons per year.
18. Lanterns, one per person per year.
19. Flashlights, one per person per year.
20. Lanterns, one per three persons per year.
21. Lumber.
22. Teakwood for manufacturing launches.
23. Engines for boats and cargo and fishing launches.

24. Special nails for launch manufacturing.
25. Carpentry equipment and tools for manufacturing launches.
26. Oil for use in launches.
27. Wire for making fish cages.
28. String for making fishing nets and fish-net weaving equipment.
29. Tire and tire tubes for motorcycles, one tire tube and one tire of one brand per person per year.
30. Agricultural water pumps, 1 per 30 persons per year.
31. Fishing hooks and nets, at the yearly amount set for persons in the fishing profession, with consideration for the regulations for fisheries.

Note 1. If the goods included in the list are offered for sale, they are subject to the special Ministry of Commerce regulations on distribution and pricing.

Note 2. Goods cited in Paragraphs 5, 22 to 28, and 31 can only be imported in a nontransferable form. Other items can be imported only with the currency obtained from their own export.

B. Conditions of Entry

1. It should not be used.
2. It should not be manufactured in or a product of a country with which transactions are prohibited.
3. It must conform to the compulsory standards announced and determined by the central offices of industrial standards and research of the provincial capitals.
4. The import and release of sound equipment shall be contingent upon the permission of the central communications departments of the provincial capitals.
5. The import and release of foodstuff shall be contingent upon the permission of the central health department of the province.
6. In regards to the listed agricultural products and imported lumber, permits from the central office of agriculture of the province are necessary in order to prevent the entry of plant pests.

7. For the entry of imported goods vis-à-vis exports, permits from the Ministry of Commerce are necessary in order to confirm the price.

8. The fees for registering the orders for imported goods must be collected by the Customs Office and deposited in the account of the Central Bank of the Islamic Republic of Iran.

Note 1. Any change increasing or decreasing the items on the list cited in Paragraph A of this law requires the ratification of the Cabinet.

Governors general are responsible for taking steps in regards to coordinating the activities of the cooperative companies of the border dwellers in regards to the establishment of the union of the cooperative companies of the border dwellers of their province. The instructions of the union must be observed by the cooperatives of the province after approval by the governor general.

Article 26. Exporters who sell the currency obtained from their exports to the banking system within the period established for depositors of agreements and transfer the right to use the deposits to the bank are eligible for the 11 percent discount cited in Article 25 of the law. Any discount over 11 percent shall be subject to the decision of the committee cited in Article 26 of the law.

Article 27. The committee cited in Article 26 will be formed in order to determine preferred rates of export currencies and announce them to the concerned authorities.

Note. In implementing Note 3 of Article 26 of the law, the list of goods which are permitted for import through the sale of non-oil currency will be prepared by the committee cited in Article 2 of these bylaws, with consideration for the currency condition and needs of the country, during the course of the year and announced to the Central Bank of the I.R.I.

Article 33. Passengers who leave the country may, once a year, in addition to their usual personal items, take out a maximum total of 20,000 rials worth of handicrafts and 5,000 rials worth of other goods exclusively manufactured or produced in Iran, without presenting trade permits or currency guarantees, provided they are not for commercial use.

Note 1. Foreigners residing in Iran who are employed in Iran with an official work permit, may, after completion of their employment, take out their used household goods, provided they are not for commercial use, without a currency guarantee upon presenting the necessary documents to the customs office.

Note 2. Foreign students who have been studying in the theological centers and universities and institutions of higher education may take with them their general household goods, which are not for commercial

use, without a currency guarantee upon presenting a certificate from such institution after the completion of their studies.

Note 3. The exit of hand-woven carpets and rugs, antiques, gold and silver in any form (except for rings and watches), precious stones, handwritten and old manuscripts, authentic cultural items, authentic paintings, and various kinds of coins with the passenger is not permissible without a currency agreement and the necessary permits.

Note 4. The exit of a maximum of one kg of caviar with passengers is permissible, regardless of the price ceiling established in this article, upon presentation of the sales receipt from the Iranian fisheries company, under the control of the customs office and without a currency guarantee.

Article 40. Import of goods with export currency.

A. List of Goods

1. Blades for household appliances.
2. Parts for oil lamps.
3. Parts for natural gas air conditioning.
4. Parts for refrigerators, refrigerator freezers and freezers.
5. Parts for nonelectric water heaters.
6. Parts for washing machines.
7. Parts for sewing machines and sewing machine needles.
8. Parts for knitting machines and knitting machine needles.
9. Parts for vacuum cleaners, fans, meat grinders, fruit juicers and osterizers.
10. Parts for radios and televisions.
11. Production units may directly or through other companies that export the products of these factories import and use the raw materials and parts needed vis-à-vis the currency obtained from the export of their goods. The production unit is responsible to use the imported items in its production, and their use by others and for other purposes is not permissible.
12. [The import of] spare parts for the repair and upkeep of machinery and equipment for production, agricultural, industrial and mining units purchased with the currency obtained from the sale of exports is contingent upon the opinion of a committee composed of the

representatives of the procurement and distribution center for industrial machinery, the Ministry of Industries, the Ministry of Heavy Industries, the Ministry of Mines and Metals and the Ministry of Agriculture.

B. Changes in the list cited in Paragraph A require the examination and verification of the committee cited in Article 2 of these bylaws and the approval of the Cabinet.

Note 1. The import of all above-mentioned items is subject to export and import regulations.

Note 2. All goods imported with export currency as well as domestically produced goods the raw materials of which are imported with exported goods, similar to imported or produced goods with government currency, are priced in accordance with the regulations of the Ministry of Commerce and the producers and sellers are required to observe the announced prices and distribution regulations.

Article 42. Goods brought by incoming passengers may be released under the following conditions.

1. For the first trip of the year, at a value of 50,000 rials, from the list following this article, provided they are not for commercial use, with exemption from customs and commercial fees and taxes, and amounts exceeding this amount, up to a maximum value of another 50,000 rials, from the above-mentioned list, provided they are not for commercial use, with the payment of customs and commercial fees, at twice the amount established in related charts and taxes.

2. Goods subsequently brought in by passengers, only at a value of 50,000 rials, from the above-mentioned list, provided they are not for commercial use, with the payment of customs and commercial fees, at twice the amount established in the related charts and taxes.

If the passenger has not fully benefitted from the exemptions cited in Paragraph 1 in the first trip, he may benefit from those exemptions until the end of the year in subsequent trips.

List of Goods That Can Be Brought In by Passengers

1. Clothing and sewn and ready-made items and personal items (except for makeup) needed for family use at a normal level.

2. Household items at the level of the personal use of the passenger (except for freezers, refrigerator freezers, water coolers, water heaters, heaters, gas stoves, washing machines, vacuum cleaners, televisions).

3. Writing and drafting equipment at the level of the personal use of the passenger.

4. Cotton fiber fabrics and artificial fiber fabrics at the level of the passengers' personal use.

5. Foodstuff at the level of personal use.

6. Exercise equipment at the normal level.

7. Technical, engineering, teaching and research tools and equipment, provided they are not for commercial use.

8. Personal hygiene items, at 2,000 rials.

Note 1. Goods cited in Note 2 of Article 41 of the law are not subject to the list.

Note 2. Natural gas containers and flammable or explosive materials cannot be released with passengers.

Note 3. Offering for sale and selling of items entering with the passengers in the country is illegal.

Note 4. Iranian customs are responsible for preparing a detailed list of the items subject to the above paragraph, along with the value of each item.

Article 44. Goods that arrive in the country through the mail as gifts and souvenirs, if they are not those cited in Note 2 of Article 41 of the law, can be released only once a year, provided the following paragraphs are observed.

1. The value of the goods that are sent to each person every year do not exceed 5,000 rials, based on the C.I.F. price.

2. The kind of goods is appropriate for the use of the person receiving them.

3. The goods are not commercial in connection with the sender or receiver.

4. The commercial fees of the goods subject to this article shall be twice the amount established in the chart attached to these bylaws.

5. For the release of the goods subject to this article, commercial and other permits established in the above-mentioned chart are not required.

6. Goods imported through the mail which cannot be released on the basis of this law shall be subject to the regulations of goods without the transfer of currency.

Article 49. Sending goods as gifts and souvenirs abroad.

Every sender may send abroad a total of 50,000 rials worth of dried herbs, dried fruits and nuts (except pistachios and shelled pistachio nuts, almonds and shelled almonds) and clothing as gifts and souvenirs.

1. Notes to Article 12 of this law:

Note 1. Persons in war-stricken regions included in this law as described in the implemental bylaws are exempt from the provision of one year residence.

Note 2. The list of the names of the oppressed areas and the kinds of goods that can be exported and imported under the terms of this article as well as the deadline for the deposit of agreements and cancellation of currency guarantees will be determined in the implemental bylaws.

Note 3. The ceiling of the value of imported and exported goods is 50,000 rials for every border dweller, 80,000 for the residents of Eastern Jask, the desert section and Qeshm, Hengam, Lavan, Hormuz, Larak, Kish, Hendurabi, Kharq, and Kharku Islands and 100,000 rials for residents of Abu Musa, Tonb-e Bozorg and Tonb-e Kuchek, Siri, and other southern islands of the country.

10,000

PAPER REPORTS ON LABOR, WAGE PROBLEMS

46400026 Stockholm NAMEH-YE MARDOM in Persian 13 Oct 87 pp 4-5

[Text] Strike in Ship Building

The salaries of ship builders in Bandar 'Abbas are not paid sometimes for several months. Since last year, two strikes have been held in this unit. The workers, whose salaries had not been paid for 3 months the first time, appeared on the job for 25 days, but refused to work. As a result, they were able to obtain their salaries. The second time, after a five-month delay in the payment of their salaries, they went on strike again, this time for a longer period. Finally, Nabavi, the minister of heavy industries, went to Bandar 'Abbas, and in the course of his visit, the managers of the ship building industries were forced to pay the workers back wages.

Relationship Between High Prices and Worker Unemployment

Every day the number of unemployed and dismissed increases among knitting workers. The owners of production units offer the excuse that thread and raw materials are expensive and, therefore, they are unable to risk their capital. The owner of one of the tricot weaving units, who has 18 workers, reasoned: We can do nothing but dismiss the extra workers. The owners of such production units would prefer to sell their thread and raw materials at several times the price on the "open market" and pocket a great deal of money. What is least important to them is the fate of the workers. Thus far, knitting workers have protested greatly to the owners of the production units and in opposition to the government raise in the already high price of thread.

Dismissal of 22 Workers from "Javaherian"

"Javaherian," the manufacturer of cabinets, gas stoves and office equipment, dismissed half its painters, assistant painters, sheet workers, and welders, numbering 22 workers. Haj Javaherian, the owner of the factory, explained that the reason behind the dismissal of workers was the high price of raw materials, including sheet metal and dye pipes. The dismissed workers, who received a small stipend,

complained to the Ministry of Labor. Their case is now caught up in red tape.

In "Goli Dishwashing Industries"

The products of "Goli Industries" are sold on the "open market" at several times their actual value. Yet the salaries of the workers of this unit are always paid late, and they receive no benefits. The workers of "Goli" Dishwashing Industries, half of whom are women, have protested to the factory management several times and have forced their employer to pay their salaries on time. But delays in payment occur regularly. The official price of Goli dishwashing liquid, some of which is sent to government institutions, is 180 rials, but it is sold at 450 rials on the "open market."

Unemployment Preferred to Being Killed

In order to avoid going to the front, a number of the workers of the "Ziaran" meat complex have left their jobs. The managers of this complex especially pressure young workers to be sent to the front. But workers say that they prefer unemployment and hunger to being killed at the front.

"Jiroft Industry and Agriculture" Near Bankruptcy

The agriculture and industry company that produces canned fruits and conserves is about to go bankrupt, threatening its workers with unemployment. A debt of 1,500 million rials to the banks in the country and the fact that foreign currency to import special sheet metal for cans is unavailable through the organization of financial industries have resulted in the production of this unit reaching only 10 percent in 1363 [21 March 1984-20 March 1985] compared to the year before.

Two units of the factory of the above-mentioned company and the fields of Jiroft employ about 300 regular workers. Since its products are seasonal, a few months every year about 100 to 150 seasonal workers are hired. But this year, due to the bad conditions, the factory has only hired eight seasonal workers. In 1364 [21 March 1985-20 March 1986], the persistence of the workers of this unit forced management to accept a plan to classify jobs. The plan was prepared by a three-member group of workers, the management and the representative of the factory supervisors. After it was studied by the workers, it was sent to the Ministry of Labor for approval. Finally, after one year--in early 1365 [1986]--it was implemented. As a result, at least 200 rials were added to the salary of each worker, depending upon their employment classification. Now that the company is about to go bankrupt and close down, the workers are anxious. The officials of the company say that a half-kg can with its lid which was bought for 15 rials from the "packaging industries" and Golshid factories in 1362 and 1363 [21 March 1983-20 March 1985] now costs 120 rials, and the company is unable to pay this price. Also, the Islamic society and the

mobilization of the factory, which has a total of three active members, sends a group of workers to the field barracks for military training once every two weeks. This is compulsory. Under the present circumstances, with the production halt, the mobilization of the company threatens workers with dismissal and tries to force them to go to the front. Workers who, on the one hand, face the threat of unemployment and, on the other, the dangers of going to the front have here and there protested the present situation.

Exploitation of Children and Youths

This past summer, the plastic-manufacturing factories of Ettehad and Water Agency Streets off Ab-e 'Ali Road have seriously exploited children and youths. The owners of these factories pay very small wages to the children and make them work 10 to 12 hours a day. The transportation of materials, rapid manual labor jobs, and the assembly of plastic toys were among the jobs given to them. In some of these factories, 40 to 50 youths were employed for 50 rials per hour. Employers treated the children more harshly and would beat them for the slightest disobedience.

Some workers of "Kaveh Fireproof Safes," located in Tehran-e No, have been dismissed. The owner of this factory, which produces metal equipment such as small and large safes, metal stairs, and filing cabinets for offices announced that the reasons for these dismissals are "losses" and the "shortage of raw materials allocated" to it. "Kaveh Fireproof Safes" has 85 workers, painters and office employees and is under the control of the previous owner. A few of the dismissed employees, who were given a very small amount for their termination, complained to the Ministry of Labor.

"Malt" Workers and the Treat of Unemployment

The management of "Malt Company" puts extraordinary pressure on workers to send them to the nonreturnable war fronts. But the workers have not sat by silently. They have united to face all the threats and pressures of the management. Nevertheless, the factory management has selected a number of workers and has officially requested that they either go to the front, in order to raise the numbers of those sent to the front from the company, or accept dismissal notices. The workers have responded: We do not accept that we must give up our lives and leave our families without anyone to care for them because you want to gain the favor of the government.

It should be said that despite the efforts of the workers, with the help of the Guards Corps, the committee and the labor department, the management of the company has dismissed a number of the workers for having refused to go to the front.

The Struggle Continues in Sa'di Tile Factory

The strike of the workers of "Sa'di Tile" factory severely frightened the factory officials. The regime agents in the factory tried to harness the workers' movement and quash their demands, but they were unable to do so. The workers complained to the Ministry of Labor, the prime minister and the Majlis. In this connection, a person by the name of Sana'i was assigned to investigate the workers' case. Through prior wheelings and dealings and without the presence of the true representatives of the director and the workers council, he went to the Prime Minister's Office. (This brought vehement protest from the workers.) Sana'i began to threaten workers in that session without making any reference to the demands of the workers and spoke about the arrest of "suspicious" individuals and "strikers." He said: These are communists, trying to start chaos in the factory. You must be alert and wherever a strike occurs, you must act carefully and even ask our organization for help. Then sweets that were prepared were distributed among those present. The members of the Islamic Society, the Islamic labor council and the board of management kissed each other without approving the demands of the workers.

After the workers found out about the meeting with the Prime Minister's Office, their waves of protest increased, and after lunch a large number of them wanted to stop working. They said: Why should we and the people that we trust not speak for us? The Ministry of Labor and the Prime Minister's Office all support the capitalists. They will never defend us, the workers. They believed that they should not stop until the demands of the workers were met, and they should not give a chance to the opportunists. The agents of the regime want to deceive us. We should not be deceived by them.

In continuing the protests, 45 workers of this unit, with more than 10 years of work experience, were threatened with dismissal. The decision of the management, considering that they were responsible for the strike, was to pay them 400,000 to 500,000 rials "service pay" and be rid of the "troublesome" workers forever. In response, the workers who opposed this decision said: If the organizers of the strike are identified, the decision will be changed. But this plan did not work. The worker refused to give any information. The workers of "Sa'di Tile" factory defend their actions and insist they want their legitimate rights. With their efforts, overtime work without pay has been omitted from the factory program, and the plan for job classification, the prevention of uncontrolled dismissals, payments of the annual ration of tile to workers, providing health care and treatment, and the observation of safety issues are on the agenda. They also demand payment of their annual vacation pay, which has been delayed for three years.

"Alyaf" Is Partially Closed

Because of shortage of foreign currency, the Alyaf Factory, located on Old Shemiran Road, has been unable to procure needed raw materials, which were mostly imported from the Federal Republic of Germany. For this reason, the factory, which has about 1,700 workers and personnel, after being closed down for 6 months, is now partially closed. The management of the factory has dismissed the new workers without paying them anything and is pressuring the experienced workers and threatening them with going to the front.

10,000

GAP BETWEEN AFFLUENT, IMPOVERISHED REPORTEDLY DEEPENS

46400002b London KEYHAN in Persian 27 Aug 87 p 8

[Text] The Ministry of Commerce of the Islamic Republic intends to import \$500 million in essential goods in order to fight overcharging and eliminate the creators of the black market, and in order to distribute these goods among the people. With the entry of these goods, the coupons for essential goods will be announced more often. Thus, butter and cheese will be announced 8 times, rice 6 times, and chicken and eggs every 45 days.

The above statement was made some time ago by Mohammad Hoseyn 'Allafi, director general of the Department of Commerce of the Province of Western Azarbaijan, to a KEYHAN (Tehran) correspondent.

In regards to individuals who engage in buying and selling coupons, he said: "Purchasers and sellers of coupons are like hoarders in the society and must be dealt with like hoarders. From now on, the discovery of every coupon for essential goods shall result in a fine against sellers of between 10,000 and 100,000 rials."

The director general of the Department of Commerce of Western Azarbaijan added: "The government has given until 10 Shahrivar [1 September] of this year to owners of goods imported into the country with unofficial foreign currency and through the cooperatives of the border-dwellers to sell their goods outside the distribution system. From that date on, any sale of goods at higher than approved prices shall be considered a violation."

Increased Discontent of the People Concerning High Prices

The propaganda of the Islamic Republic regarding overpricing and hoarding has also attracted the attention of some of the press outside Iran. Economic experts believe that domestic pressures by the people and the expression of discontent by a large segment of the consumers concerning the shortages and high prices of foodstuff and essential goods has resulted in officials of the regime engaging directly in implementing the policies to fight hoarding and overpricing. These experts state that elements in the government and government-owned

establishments have played an essential role in creating the present conditions, under which the inflation rate has reached tremendous levels.

Vaheh Petrosian, a member of the editorial board of the economic weekly publication MEED (London), wrote concerning the government fight against high prices and hoarding: "The first phase in fighting hoarding and high prices involves 24 items of essential goods. The prices of these goods have been determined by the government institutions overseeing the activities of the retailers, and the rates will be closely controlled by them. In the second phase of this program, the government intends to include another 25 items of goods, set their prices and oversee their sale. The organizations responsible for fighting overpricing intend to expand these goods to 200 items in the future."

In another part of his article, Vaheh Petrosian writes: "Even though the program for fighting overpricing and hoarding is supported by many groups, many of the merchants and conservative religious leaders have criticized it. These critics believe that, considering the existing regulations and laws, there is no need to engage in severe measures. These authorities blame the government for the most part for the high prices and for this reason criticize government organizations. Merchants and conservative groups accuse the government of improper presentation and completely unorganized distribution, which have caused the existing shortages and shortcomings."

The Government Imports \$2 Billion Worth of Foodstuff Annually

MEED weekly adds: "Government organizations which are responsible for procuring the needs of the people ignored some of the criticism and announced that the government imports \$2 billion worth of essential goods needed by the people. This year, the Ministry of Commerce has spent more than \$7000 million to import essential goods."

In the conclusion of the article, Vaheh Petrosian writes: "In recent years, due to the economic concessions obtained by some individuals, particularly many of the rich merchants, the Iranian society suffers from a significant gap between the classes. Despite the continuation of the war and the economic problems, many of the bazaar and other merchants have succeeded in accumulating great wealth. In addition, the living conditions of the middle class, which appears to want for nothing, has angered the poor . . . If Mir Hoseyn Musavi succeeds in reducing the price of goods and eliminating the shortages, it is expected that he will fundamentally change the national economy."

10,000

HOUSING MINISTRY ANNOUNCES NEW DWELLING TRANSFER PROJECTS

46400014a Tehran KEYHAN in Persian 14 Sep 87 p 2

[Text] Based on a two-year scheduled program, the Ministry of Housing and Urban Development has undertaken 220 projects with regard to the preparation of 16,000 hectares of land in various cities of the country. After the execution of preliminary preparation programs these various plots will be assigned to 400,000 families who have applied for land and housing.

Engineer Kamrava, deputy director of the Housing Department of the Ministry of Housing and Urban Development in an interview while making the aforementioned statement further added: For the preparation of these plots of land an equivalent credit of about 160 billion rials have been allocated and they have been selected from among lots within the city limit or some from the divided lots in the close vicinity of towns. The preparation program will consider securing and provision of such necessary services as a network of potable water, power, sewer system, clearance of rain water run-off, building and paving of access roads and other similar amenities.

He went on to say: The investment in these projects will not bear any pressure on government credit allocation since according to the scheduled program and based on the type of services which are going to be provided for the people, with proper regard to the financial capability of the applicants some of the cost and expenditures will be collected by installment from them.

He further added: On the other hand, those individuals who would like to become home-owners through a special saving account with the Housing Bank, certain exceptional facilitating procedures have been considered by the said bank and every effort will be made--with due consideration to the existing problems in the way of construction of dwelling homes--through the aegis of article 67, single-owner-ship homes will be built and assigned to them at reasonable prices and with favorable banking services. Furthermore, it has been arranged with the banks so that a long-term loan of up to six million rials will be awarded using the deed as a collateral, and another loan of up to two million rials as guaranteed credit will also be provided to the housing applicants.

Moreover, the banks will help provide up to 80 percent of the total cost of home construction and in this regard, during the current year an amount of 300 million rials credit allocations have been duly assigned.

He further noted: At present a large number of homes are built on one-at-a-time basis which causes the housing cooperatives certain problems. In this regard there is a plan afoot so that these cooperatives become properly equipped to extend their cooperation in the matter of home-building and not only grabbing of the land and using it for other purposes.

With regard to building materials as the single most important factor in the construction of dwellings, engineer Kamrava added: For the construction of a single house at least there is a need for 100 various items and when even a few of these items are not available the construction work can come to a standstill; therefore, provision of building materials translates into activating of all the various sector of building industry which in reality consist of a major sector of the production industry of the country.

With regard to the dependency of some of the industries which are producers of building materials, he said: According to a resolution approved by the Council of Ministers, a certain commission in charge of policy making for building materials composed of members from the Ministries of Housing and Urban Development, that of Industries, Heavy Industries, Mines and Metals, Commerce, Plan and Budget and the Central Bank studied the relevant issues of building materials during last year, and identified its critical and weak points and accordingly proposed the appropriate rial and foreign exchange investment allocations. He further expressed his hope that with due consideration to the known exigencies, some steps could be taken toward removing part of the pertinent problems.

The deputy director of the Housing Department of the Ministry of Housing and Urban Development with regard to the execution of relevant services for the housing units which are assigned to the people stated: Formerly, the land was put at the disposal of the people and they would decide to build a home and likewise the government, through utilization of oil income was obligated to provide certain services such as water, power, constructing and paving of the roads, schools, infirmaries and other similar amenities; however, now our policy aims at minimizing our dependency on oil revenues since these revenues must be spent on production and more fundamental issues.

In this regard, he added: To this effect the Ministry of Housing and Urban Development has prepared a plan of the complete relevant services which consist of building of commercial and general-public-use facilities and from the revenues which will be acquired by means of such facilities other public units such as schools, infirmaries and other similar amenities could be built.

The deputy director of the Housing Department of the Ministry of Housing and Urban Development with regard to the renting project stated: At present three cities have been selected where the renting project is tentatively being carried out. In such projects an attempt has been made to build homes and rent them at very low rates to the poor and deprived classes. While he indicated that the three cities comprise: Bushehr, Bandar Abbas and Qazvin, he also added that

God willing, after proper investigation of the results they hoped to be able to implement this project in other cities as well.

In conclusion, he stated: Since without proper and sufficient attention to the renting sector the issue of housing cannot be resolved, the Ministry of Housing and Urban Development is making every effort to find the true niche of renting in order to resolve the issue of housing.

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CSO: 46400014a

INSPECTORS ASSIGNED TO COMBAT OVERCHARGING

46400003a London KEYHAN in Persian 20 Aug 87 p 15

[Text] The government of the Islamic Republic has assigned 12,000 inspectors to monitor approved prices throughout the society.

Initially, these inspectors are expected to oversee the sale of 22 items of essential goods needed by the people and later, gradually, to expand their supervision over other goods as well. Officials of guild-related affairs have said:

"On the whole, the rates of 150 items of goods will be inspected in the near future by the above-mentioned inspectors." Some of these goods are:

Wheat, flour, bread, shortening, sugar cubes and sugar, rice, meat, chicken and eggs, imported cheese, imported butter, powdered milk and infant food, powdered detergents, soap, writing supplies, major items of fruit and green groceries, tea, livestock powdered milk, pasteurized milk and yogurt, natural gas bottles and regulators, liquid gas, motor oil and brake fluid, truck and car tires, exported currency, rental fees for commercial and residential buildings, watches, cigarettes and pipe and waterpipe tobacco.

Officials say:

"The legal void concerning the fight against overcharging always results in the victory of hoarders and overchargers and the defeat of organizations that intend to fight overchargers."

Having no law to punish hoarders and overchargers is a great problem for the officials in fighting overchargers, and the existence of laws and regulations without enforcement guarantees is no different from not having them.

Opposition of the Council of Guardians

Some time ago, the Majlis representatives ratified a first priority proposal to fight overcharging. However, the Council of Guardians deemed it contrary to religious laws and refused to approve it.

This proposal was returned to the Majlis, and, after some revisions, was returned to the Council of Guardians. But, again, the members of the Council did not approve it, and the fight against overcharging was suspended.

Last week, the government announced the new rates for various kinds of fruit.

Even though the people are excited about the new rates, at the bottom of their hearts, they are not hopeful that the fight against overcharging will succeed and are certain that sooner or later, by creating problems for the customers, the sales persons will force them to purchase what they need at the arbitrary prices set by the shopkeeper.

The new prices for fruits and vegetables are as follows:

Potatoes, 75 rials; onions, 60 rials; tomatoes, 55 rials; various kinds of eggplant, 50 rials; zucchini, 80 rials; Istanbul potatoes, 120 rials; lettuce, 65 rials; watermelon, 50 rials; melon, 85 rials; sweet apricots, 275 rials; red plums, 225 rials; cherries, 27.5 rials.

Government Overcharging

Many Iranians complain about government overcharging.

Merchants and small and large tradespeople believe that government increases in the price of kerosene, gasoline and diesel fuel directly increase the price of transportation.

Increases in the price of water, electricity, beverages, cigarettes and matches also contribute to increased prices.

A government employee said in this regard:

"When the government offers color televisions at 300,000 rials and washing machines and freezers at the same price, how can you prevent the free market of such items?"

Import of Sugar Through Qeshm

Or, for instance, the government has allowed persons to import sugar through Qeshm Island and sell it without government supervision.

Hence, considering that some items, such as sugar, have two prices, how could officials supervise the distribution and sale of sugar?

Government employees have a deeper and more essential complaint which cannot be resolved by fighting overcharging and punishing overchargers. They have such insignificant incomes in the face of the giant of high prices that they cannot even think of using some goods.

A high school teacher said: "I receive 40,000 rials in salary per month. I pay 30,000 rials for rent and I must use the remaining 10,000 rials to pay for my living expenses. So, for a long time, we have not been associating with anyone, because it costs money."

A female employee said:

"Nowadays, people are really fed up. No matter where they go or whom they talk with, they only hear:

"Buy it if you want it, and don't if you don't want it. That is the way it is!"

10,000

ARTICLE DETAILS HEALTH CARE PROBLEMS

46400006 London KEYHAN in Persian 20 Aug 87 p 14

[Text] Experienced and prominent Iranian physicians have fled the country, and those who have stayed are so busy that they go from hospital to hospital and then see patients in their offices for several hours.

Sometimes the lines of patients of these physicians continue throughout the waiting rooms and into the street. These physicians are so busy that one of their colleagues confessed that in the past five years he has not even had time to finger through a medical journal or glance at the changes in his field of specialization.

Besides the thousands of physicians who left Iran early in the revolution, in recent years as well, a large number have gradually left the country and are practicing in other parts of the world.

Now, the remaining physicians are about to flee the country, thus, their numbers decrease daily in Iranian hospitals. As you will see below, in Tehran, a physician has to see 500 patients a day.

Be Careful Not to Get Sick at Night

Nowadays, there are humorous, meaningful phrases used by the low-income classes in Iran. For example:

"Be careful not to get sick from sunset on, because you will be taking your life in your own hands."

People usually do not talk about something for no reason. For example, in regards to getting sick at night, they make the above-mentioned suggestion, because after dark hospitals have no empty beds; there are no specialists available, not only at that time of the night, but even during the day; and the patients' needed medicine cannot be found on pharmacy shelves. In order to find a serum or pill or elixir, the companions of the patient have to travel from east to west and south to north in Tehran.

The problems and tragedies mentioned mostly concern people who have no money. Otherwise, if the patient has money, his problems are different from those of the have-nots.

In government hospitals, the situation is deplorable. There is only one doctor on duty for a large treatment center, who must at the same time also care for the hospitalized patients.

An old physician terms this situation shameful for a country such as Iran, with so much in terms of wealth and human resources, with dozens of universities, thousands of physicians scattered around the world and, in short, about a 60-year history of medical schools.

What makes the despondent nights of Tehran even more sad is that thousands of patients and their companions go from hospital to hospital, begging and pleading with hospital employees. Those who work in hospitals frequently witness the deaths of children suffering from diarrhea, vomiting or other illnesses in their parents' arms.

Outside the Tehran hospitals at night, there is a great commotion. Patients who have come to Tehran by any means they can, unaware of the terrible cost of physician fees and private hospitals, are incredibly disappointed.

They first go to government hospitals, and when they realize that they will have to leave the sick patient in the waiting room until the next morning, they leave for private hospitals. It is there that they go out of their minds, when they are informed of the back-breaking cost of physician fees and hospitals.

In Search of Magical Help

The father of a patient who has experienced this going from hospital to hospital all night and has now come to London to have the patient treated explained:

One night, when I went to Tehran from the city where I live, I took a patient suffering from a critical heart ailment to Khomeyni Hospital. As I faced the long line of suffering patients, I realized that there was only one physician who was supposed to see all those patients. For this reason, even though I was very worried about the condition of my child and my own financial situation, I went to a private hospital. There I saw another group like myself, sitting in the hospital courtyard. One patient was suffering from severe kidney pains. Another had his leg broken in a traffic accident. In that hospital, you had to first pay a certain amount of money as a deposit in the hospital office in order to have a physician examine you and give treatment instructions.

The young man whose leg was broken in the traffic accident said:

"After the accident, I sat behind my brother on his motorcycle and went to several government hospitals. First I went to the Seventh of Tir [28 June] Hospital. No matter how much we pleaded, they would not send a physician to see me. They said they did not have a broken bone specialist.

"Then, my brother took me to Sina Hospital. There, too, the door was closed on the patients with an announcement stating that they see patients only on Sunday and Tuesday nights. Then we went to the third hospital, on Sirius Street. There was no specialist there either." In the fourth hospital, that is where the conversation was taking place, they asked him for 70,000 rials in order to examine him. Since they did not have the money, they left for another hospital. One was suffering from pains in his leg, the other from not having money. Perhaps some help would come from an unknown source to soothe his pains.

Another patient also in London for treatment said: "One day when I had an appointment with a physician in Mehr Hospital in Tehran, I saw a friend who was leaving the hospital distraught and frustrated. I asked him why he was in such a hurry and what was the source of his anguish. He said that he had been searching for a serum all over Tehran without any success and now he had come back to find out if he could purchase a similar one."

The Depth of the Tragedy

KEYHAN, published in Tehran, printed a letter from a father who had taken his child to a hospital in the middle of the night. His story clearly shows the depth of the tragedy that goes on in the Islamic Republic.

Apparently, after the illness appeared in the child, his parents took him to the children's hospital. Fifty other people were there with children in their arms, impatiently waiting to see the physician on duty.

While they were waiting for the physician, the hospital secretary told the companions of the patient: "We do not hospitalize patients in this hospital. We only give prescriptions and send the patient home." The parents of the child, who were even satisfied with this, decided that while they were waiting their turn to see the physician, one of them should go to another hospital to find an empty bed. She first went to Sasan Hospital, where she was told that they have a children's ward, but no physician.

In the children's medical center on Keshavarz Blvd, the hospital security guard informed her that "only the 'trainees,' that is the medical students, see the patients." Dead tired, the mother returned to the first treatment center. Finally, the physician examined her child

and said that his condition was not serious and he could go home. When they took the child home, his condition worsened. So they were forced to transfer him to Kian Hospital in the middle of the night. With a great deal of trouble and the mediation of a friend, they brought a specialist to see the child. He instructed x-rays to be taken, but the x-ray equipment was out of order. In short, no treatment was provided for the child until early the next morning. The next day, with very little life left in him, the child was transferred to another hospital. In short, a simple illness which could have been resolved with an examination and treatment by a pediatrician turned into a tragedy in the Islamic Republic.

Outrageous Physician and Hospital Fees

Despite all the talk about setting the fees of physicians and hospital beds, these days in Iran, physicians and hospitals have a free rein in collecting money from patients, perhaps because the authorities of the Islamic Republic, who have sufficiently bothered and chased the physicians away from the country, are worried that further restrictions on this class of the society will worsen the situation with regard to health care and treatment.

In this connection, hospital officials say that when the medical fees were established, physicians and hospitals were not consulted; therefore, the existing rates are not endorsed by them.

Another point is the problem of the administration of private hospitals, which do not use government rations for their purchases. The director of finances of one of the private hospitals in Tehran said: "Up to some time ago, gauze bandages used for wounds and surgery which were made abroad were sold to us for 700 rials per kg. But now we can only buy domestically-produced gauze at 3,850 rials per kg.

"Other costs have also increased nearly a hundred percent. Hence, if we were to implement the new fees in the hospitals, a hospital would not be able to survive."

The director of another private hospital presents the problems of the hospitals as follows:

"We have annual revenues of about 750 million rials and expenditures of about the same amount. We might show a profit of perhaps 20 or 30 million rials. If we implement the new fees, we will have a loss of 250 million rials a year."

Dr Tabataba'i, an official of the Ministry of Health, stated: "Our inspectors regularly inspect the offices of physicians, dentists and hospitals and control their fees."

In any case, what was discussed about health care and treatment in the Islamic Republic was a small sample of the lack of attention to and concern for the specialists and scholars, and on the whole knowledge and science, on the part of the officials of the regime in Iran. Furthermore, the health of the people is not of concern to this regime, as it is in other parts of the world. Therefore, there is no reason why the officials should be worried about it.

Health care specialists and hospital administrators have warned that the situation of health care in government and private sectors will become even worse than it is, and that the deaths of hospitalized patients and those involved in emergencies at night will reach very high levels.

10,000

DEEDS ISSUED FOR INHABITED, AGRICULTURAL LAND

46400001b London KEYHAN in Persian 27 Aug 87 p 8

[Text] Throughout the country, all urban residential and agricultural lands without deeds will be issued official deeds, with the cooperation of the Supreme Judicial Council and the national records agency.

The above decision was made in a meeting of the directors-general and officials of the national document recording department in Mashhad. Also present at that meeting were Ayatollah Mar'ashi (member of the Supreme Judicial Council) and Hashemi (director general of the national document recording department).

According to a report by KEYHAN (Tehran), with the implementation of the plan under discussion, it is expected that a decision will be made concerning more than 50 percent of the residential and agricultural units of the whole country and that their problems will be resolved.

The deputy of the Ministry of Justice and the director of the national document recording agency announced that this law will affect those who have submitted the special application forms for official deeds to the records offices before the one-year deadline. The deputy minister of justice of the Islamic Republic added: "This deadline will be up in Azar [22 November-21 December] of this year in Khorasan Province, and in other provinces, within 10 days of the other deadline."

The director of the national document recording agency emphasized that unofficial documents must be in the form of deeds of purchase, and unofficial transactions must have taken place before Tir 1365 [22 June-22 July 1987]. Hashemi pointed out that in implementing Articles 147, 148 and 148 repeated [as published] of the national records law, two-judge committees have been assigned by the Supreme Judicial Council to examine unofficial documents and change them to official deeds.

The director of the national document recording agency suggested that applicants obtain the special forms from the document recording offices as soon as possible, because, once the deadline has passed, an extension would require the ratification of a law, which is not an easy task.

SIAH BISHEH POWER PLANT TO BECOME OPERATIONAL IN 1994

46400012a London KEYHAN in Persian 24 Sep 87 P 8

[Text] The Ministry of Energy of the Islamic Republic extended the grace period for securing the technical and equipment needs of the Siah Bisheh Power Plant located off the Chalus road, until January 12 of the new year. The output capacity of this power plant will be 1000 megawatt and after becoming operational it will secure a portion of the electric power needs of Tehran during peak hours. The consulting engineers for this power plant are associated with the German firm of Lamayer and the Iranian engineering firm of Mushiner. Among the international contracting firms which are to assist in the construction and other technical affairs of this power plant, the names of such heavy industry firms like Mitsubishi, Fuji and Toshiba of Japan are mentioned. Furthermore, an Italian firm and Braun Bauveri of Switzerland have also expressed their readiness to participate in securing the technical installations and providing the necessary supervision for the construction of this power plant. It should be noted that during the past 18 months some of the domestic firms have been active one way or another, to prepare the construction site of this plant. The Siah Bisheh Power Plant--which is located half-way between Tehran and Chalus, in the heart of Alborz mountain's heights--had been planned before the advent of the Islamic Republic. Preparation of the site for the installation of this power plant calls for underground passageways and tunneling plus construction of diversionary water channels. The major contracts for construction of the plant and installation of the reservoir will be entered into in the future.

Probably, these contracts will be entered into with international firms and some similar Iranian companies and foreign engineers will cooperate with their Iranian counterparts in meeting their pertinent responsibilities. Based on the projected plans, if the construction of Siah Bisheh Power Plant does not face unexpected hitches, including inadequate building funds, etc., it could become operational by 1994. The supervising firm for coordinating the construction affairs of this power plant is Tavanir Company which is affiliated with the Ministry of Energy of the Islamic Republic.

12719

KHOMEYNI ORDERS HANGING OF SMUGGLERS

46400009c London KEYHAN in Persian 24 Sep 87 P 2

[Text] Ayatollah Khomeyni ordered authorities to deal with the smugglers as the corrupters of the earth. In a press and television interview, Hojjat ol-Eslam Moqtada'i announced that with regard to the illegal entry and distribution of narcotics on a very large scale throughout the country, from now on the smugglers will be dealt with in a harsher and firmer manner. Moqtada'i who is a member and spokesman of the Supreme Judicial Council, further added that in this regard we sought Ayatollah Khomeyni's instruction and he duly advised us to deal with the smugglers as the corrupters of the earth.

The spokesman for the Supreme Judicial Council further disclosed that the final verdict for hanging seven smugglers have been issued and some other such verdicts are also on the way.

Here it should be noted that during the incumbency of Sadeq Khalkhali who was in charge of anti-narcotics campaigns, following his orders, several small-time and petty smugglers were hanged while the big cheese got away by paying huge bribes. At present it is believed that about four million people in Iran are addicted to some kind or other of narcotics, and according to the officials of the Islamic Republic narcotics is available everywhere in the country. Some time ago Kerman's Friday imam at an anti-narcotics seminar disclosed that thousands of the mobilization and Komiteh members who were sent to the fronts were addicts and thus served a warning to the responsible officials of the regime. During the last two years, the IR has entrusted safeguarding of the borders to the Revolution Komiteh members; however, since then the flow of narcotics continued and even it was further expedited. Some time ago Nadi, a Majlis representative in an open session stated that the responsible officials have expressed their impotence in dealing with the widespread use of narcotics in the country. He further added: Every day when I pass through the busy city squares and notice the gatherings of our addicted young men I feel ashamed!

12719

NARCOTICS, HOARDED GOODS SEIZURE REPORTED

46400014b Tehran ETTELA'AT in Persian 14 Sep 87 P 17

[Text] News Service--Following the decisive and persistent efforts of the guardians of the Islamic Revolution Komiteh of Sistan va Baluchestan Province during the last few days as a result of several routine stopping and checking of suspicious cars along the Khash-Iranshahr axis, 235 gold coins, more than 130 kilograms of opium and heroine, two machine guns, a large quantity of cartridges and more than 100,000 rials in cash was recovered from the smugglers and duly confiscated. With regard to this investigation 10 people were arrested.

Furthermore, through the untiring efforts and activities of the guardians of the Islamic Revolution Komiteh of Khorasan Province during the last few days, following several look-out and follow-up missions throughout the said province, more than 400 kilograms of opium and heroine, 1500 kilograms of poultry meat, five machine guns, 500 cartridges, 100 Bahar-e Azadi gold coins and more than 1.767 million rials in cash was recovered from the smugglers. In this regard 70 professional members of the bands in charge of preparation and distribution of contraband goods and narcotics were arrested.

According to the same report, the guardians of the Islamic Revolution Komiteh of Hormozegan Province during the past few days, while safeguarding our country's southern littoral waters, following some special operations were able to discover more than 30 kilograms of opium and heroine, 800 rolls of foreign-made fabric, four machine-guns, 70,000 foreign-brand cigarettes, three video machines together with a large quantity of tapes and close to 60,000 rials in cash from the smugglers. In this connection 35 people were arrested and after completion of proper procedures all the culprits were handed over to the judicial authorities.

Discovery of 10.68 Kilograms of Opium

Yazd--As a result of the surveillance of the patrol officials of the first district police of Yazd, 10.68 kilograms of opium which was skillfully placed inside the front wheel of a dump truck, was discovered and duly confiscated.

According to IRNA, quoting a knowledgeable source from the police department, the aforementioned truck had pulled over along Yazd's beltway to fix a front flat tire and it had arisen the suspicion of patrol police. Based on this report, the driver of the above-stated truck had abandoned the scene and further investigation for his arrest is underway.

12719

CSO: 46400014b

COUNTERFEIT EXEMPTIONS BRING TOP PRICE

46400009b London KEYHAN in Persian 24 Sep 87 P 2

[Text] An organized group of counterfeiters who forged passports, military exemption certificate, reserve service termination authorization, medical exemption notes, birth certificate and other similar legal documents in exchange for an exorbitant sum of money were arrested in Ahwaz. The members of this group also kept various types of weapons and they were further active in car theft, kidnapping and extorting money as ransom.

Other accusations levelled at this group comprise the transportation and sale of narcotics and illegal use of the birth certificates of the deceased. Until now 43 members of this band have been arrested. According to the reports received from Iran, the aforementioned individuals would demand high prices for forged certificates from the well-to-do and rich people whose children were reaching the legal age for compulsory military service. At times, the price for a forged military exemption certificate would reach one million tomans.

Six members of this group who were active in the provinces of Khuzestan, Lorestan and the Central Province were arrested at Tehran Hilton Hotel on their way to Mehrabad airport from where they intended to travel abroad.

This group of smugglers and counterfeiters were quite well organized so much so that they had a general director, head of accounting department, a treasurer, market researchers and other responsible individuals who handled varieties of jobs like a full-fledged organization. After the arrest of the aforementioned members, six million tomans of cash, some weapons and ammunition, some narcotics such as heroine and opium were also seized.

Some time ago the members of this group kidnapped the child of a wealthy and famous individual demanding one million tomans for his freedom.

12719

VALUE ADDED TAX APPROVED

46400012b London KEYHAN in Persian 24 Sep 87 P 8

[Text] During the first five months of the current year [21 March to 22 August 1987] in comparison to the similar period of last year the Islamic Republic has increased taxes by about 40 percent.

Some time ago, Mohammad Javad Iravani, minister of economic affairs and finance of the IR announced that as a result of the recent efforts by his ministry the tax receipts--whether direct or indirect--increased appreciably. The aforementioned minister further explained that for the first time in the history of tax receipts, government's revenue from the direct taxes surpassed the tax receipts from its indirect tax revenues.

According to the reports received from Tehran, the Council of Ministers of the IR in one of its recent sessions approved the proposal by the Ministry of Economic Affairs and Finance regarding the imposition of value added tax on the goods and services. Based on this resolution, the government will be allowed to receive value added taxes for any goods or services which are sold by the commercial entities. The economic observers predict that despite the fact that so far the details pertaining to the applicable rate for taxes, the process for its implementation, other pertinent rules and regulations have not been announced, yet the very execution of the program will cause an increase in the cost of goods and further add to the rate of inflation.

12719

SCUFFLES WITH GUARDS REPORTED

46400012c London KEYHAN in Persian 24 Sep 87 P 2

[Text] The spokesman for the Guards Corps in a press and television interview disclosed that during the past few months in various parts of the country, there have been several instances of bloody scuffles between the members of the Guards Corps and some opponents of the regime. The aforementioned spokesman further added that the agents from the Guards Corps have also discovered several team-houses and caches of arms used by the opponents. The said spokesman also stated that in these scuffles some members of the Guards Corps and some opponents of the regime lost their lives, while 110 individuals were arrested in the Province of Sistan va Baluchestan. It should be noted that previously the Information Ministry of the Islamic Republic had announced that it had totally annihilated all the opponents of the regime.

12719

COMMENTARY PONDERES EVENTUALITY OF LIFE WITHOUT U.S. AID

46560106a Lahore NAWA-I-WAQT in Urdu 5 Aug 87 p 3

[Editorial: "Challenges of Life Without U.S. Aid"]

[Text] Foreign Minister Sahibzada Yaqub Khan at a Senate session has said that the U.S. Congressional subcommittee recommendation that future aid to Pakistan be discontinued for 105 days is a negation of Pakistan's honor and national self-respect. Thus, Pakistan cannot accept unilateral restrictions on its nuclear program. Obviously the administration has reached this conclusion in view of the national consensus on this issue that has emerged in the past few days among political leaders, the intelligentsia and the newspaper columns. The fact is that by now, more or less every significant political party leadership has condemned the U.S. blackmail. They have also expressed the determination that the Pakistani people will not be bluffed by the United States. Maulana Shah Ahmad Nurani has described the United States as an unreliable friend. Mian Tufail Mohammad has said that if the United States does not accept our assurances, we will not accept its supervision, either. Similarly, Sardar Sher Baz Mazari has advised that we should not trust the United States without discretion. Ghulam Mustafa Jatoi has expressed the hope that the current administration will not be awestruck by such mean tricks of the United States. Maulana Fazalur Rahman has also emphasized rejection of U.S. pressure. The opinion of the present elected representatives of the people is also known. Recently, at a Senate session, a number of members stated that it is now time for Pakistan to completely review its relationship with the United States, so that the country's reputation and honor does not suffer. Although the leaders of the People's Party have not expressed their reaction on this issue--for the time being, they are busy distributing sweets to celebrate the engagement of their leader--still, the foundation of Pakistan's present nuclear policy was laid during the rule of this party. Therefore, this party can hold no other view than that, in keeping with national self-respect, U.S. bullying should not be tolerated. In view of the national consensus, the administration, during talks with Mr Armacost, and afterward, the foreign minister, during the Senate session, have openly declared that a unilateral restriction on Pakistan's nuclear program would not be accepted. This is not an ordinary decision for a developing country such as Pakistan that is surrounded by danger from all sides. Its results and consequences could prove highly distressing for us. We are unaware of what measures the government has undertaken to estimate its

far-reaching results. But as an immediate measure, the Foreign Ministry has decided to avert a feeling of despondency among the people in the event of the suspension of U.S. aid to Pakistan by the adoption of special measures to keep people's spirits high. In this regard, it is hoped that Prime Minister Junejo would tour the four provinces on a public relations campaign. Such a tour would indeed encourage the people to bear the bitter realities of the future. We expect the political parties also would not be content to remain mere spectators after advising the administration to act like a lion. Instead, they should wage a full campaign on their own to prepare the people mentality to face every challenge like a living, self-respecting nation. Everyone is aware that at present Pakistan is facing immense economic problems. With a revision of the current federal budget, there is also a danger that the economic conditions would become much worse. At the same time, clouds threatening the worst are as usual hovering over the Pakistani borders. To consolidate our defense, we are in urgent need of sophisticated weapons. In such circumstances, therefore, if the recommendation to suspend U.S. aid to Pakistan is enforced as the decision of the U.S. Government and the chain of U.S. aid is permanently cut off on the basis of alleged suspicions and doubts concerning Pakistan's nuclear program, then we will have to review our national policy according to such changed circumstances. The U.S. under secretary of state, Mr Armacost, at a press conference made clear that so far the recommendation that aid be suspended has come from only one U.S. Congressional subcommittee, and that on this basis, the U.S. Government would not necessarily decide to terminate the U.S. aid to Pakistan. In any case, the Congress would review this recommendation. It is an established fact, however, that the Indian and Israeli lobby is taking advantage of the differences existing between Pakistan and the United States and is pressing to worsen the relations between the two countries by exploiting this issue for no reason at all. The Pakistani people, therefore, should be prepared to face the worst. Colonel al-Qadhdhafi of Libya, under similar circumstances, declared that, "We would survive by eating dates and riding on camels like our forefathers." Such examples have existed in our previous history also, when people eating a coarse diet, with the might of God's help, challenged the superpowers of the world. Although, in the present era, when interdependence has increased to a dangerous extent, it seems sentimental beyond the bounds of ordinary reason or wisdom to say or advise such things. Nevertheless, when nations are confronted with such challenges, the only path of respect and honor is to safeguard the national sovereignty and territorial supreme authority by leading a simple life, rather than to lead a life of luxury by accepting the supremacy of others.

9779/9738

EDITORIAL SUPPORTS FOREIGN POLICY ON AFGHANISTAN

46560106b Islambad HURMAT in Urdu 4 Aug 87 p 5

[Editorial: "Is Change in Foreign Policy Necessary?"]

[Text] After the recent dreadful explosions in Karachi, some circles are once again demanding that, since these explosions are the consequence of Pakistan's "comely" foreign policy with regard to the Afghanistan issue, Pakistan should review its foreign policy. These circles maintain that since the Afghan mujaheddin, in order to carry out their activities, go into Afghanistan from Pakistan, that U.S. or Chinese munitions also reach these mujaheddin through Pakistan, and that through these weapons, along with the military of the Najib administration, at times Soviet soldiers also are killed, it is obvious that the Soviet Union will definitely punish Pakistan for its insolence. The second major argument presented by these circles is that Pakistan has really adopted this well known hard stand on the Afghanistan issue in order to promote U.S. interests in the region. The United States has not provided any solid assistance to Pakistan during difficult times in the past, nor will it do so in the future, they maintain. Pakistan, therefore, instead of advancing blindly, should adopt a course of reconciliation with the Soviet Union. In our view, both of these arguments advanced by the critics of Pakistan's current foreign policy regarding Afghanistan carry heavy weight. Even if these critics had not put forward such arguments, it could be said that our foreign policy is not a revealed book that cannot be altered. In our opinion, therefore, if and when necessary, the foreign policy can be and should be changed. But there is another side of the picture also. There are some solid and comparatively more weighty arguments that support the continuation of the present foreign policy regarding the Afghanistan issue. Under no circumstances can these arguments be overlooked.

Is it not a fact that the Soviet Union through a formal military invasion has wrongfully occupied Afghanistan? Also, that as far as Afghanistan's Muslim people are concerned, a vast majority of them are against the Soviet aggression? If this is not so, why do they grant refuge in their homes to the mujaheddin fighting for freedom in Afghanistan? Furthermore, despite the elapse of 7 years, why are the mujaheddin still holding several parts of Afghanistan? The four-point stand maintained by Pakistan with regard to Afghanistan is in fact not a position taken by Pakistan alone; rather it is a

view held by the entire Islamic world and nearly 125 countries of the world. In such circumstances, therefore, how can Pakistan change its stand without taking other countries into its confidence? Furthermore, it is also a reality that the war being fought in Afghanistan is actually a struggle for the existence of Pakistan. If today the Soviet Union is not discouraged, is there any guarantee that it would not march forward in accordance with its long-term plan and policy to trample some parts of Pakistan?

Furthermore, these foreign policy critics should not ignore the fact that nations that cannot confront hardships and tribulations, that cannot accept sacrifices for their own freedom, adherence to principle, respect and honor, finally take the path of slavery. We are not against any reconciliation with the Soviet Union. In fact, we have written many times in these columns that we should make the first move to establish good neighborly relations with the Soviet Union. However, we do not have to be afraid of Soviet bullying, threatening and arm-twisting. In our view, therefore, the Government of Pakistan has done well to make clear to the world through various channels and at various levels that Pakistan would firmly maintain its stand concerning the Afghan crisis, and that there would be no change in its foreign policy on Afghanistan.

9779/9738

COMMENTARY VIEWS ASSEMBLY PROCEEDINGS

Karachi DAWN in English 7 Oct 87 p 10

[Article by Anis Mirza]

[Text]

It was private members' day in the National Assembly, but interest had shifted from the main debating hall to the lobbies and the cafeteria. Very conspicuous in the Assembly's political tea-house, was Multan's stocky Hamid Raza Gilani, Senior Vice-President of the National People's Party. Said the grey-haired Raza with a smile: The graph on the political horizon is noteworthy. The recent Mian Channu election has shattered many a myth "one of them being that the People's Party is invincible."

Hamid Raza Gilani was immersed in conversation in a remote corner table. Sitting next to him were Parliamentary Opposition Group's Sardar Asif Ahmed Ali, Air Marshal (ret'd) Nur Khan, Rawalpindi businessman Raja Shahid Zafar, Sargodha's Syed Nusrat Ali Shah. Raza broke away from the cafeteria conversation corner and quickly moved into a reflective mood.

The election in Mian Channu has served as an eye-opener to the country's political parties," said Hamid Raza. "Benazir has now set up a new team of 12 to 14 persons, headed by Farooq Leghari. It will go round the country to explore and infuse new blood in the PPP, the main thrust being of course the search for suitable new candidates. This team has emanated from the results of the Mian Channu debacle."

Giving a brief over-view of the election, Hamid Raza Gilani said the Pakistan Muslim League as well as the Pakistan People's Party had been living under a false sense of security. "I come from that area. In fact the Mian Channu contest was between the PPP and the local

grouping of political elements. The PML was not even in the mainstream, other than newspaper statements. In contrast, the PPP was contesting with its full team. Interestingly enough all the political parties including the MRD were opposing the People's Party. There were components of the Jamiat-i-Ulema-i-Islam (JUI) and the Tehrik-i-Istiqlal (TI) who joined hands against the PPP. In Mian Channu. This is highly significant. This means the candidate is important."

The landlord-politician argued that for the first time the prevailing myth that a lamp post would win if supported by the People's Party, had been shattered.

Turning to the persistent refrain in the National Assembly lobbies, that the local bodies elections would be postponed, Hamid Raza Gilani added in a categorical tone, "I do not see the PML holding local bodies elections this year, because there are many contradictions between the Muslim League set-up at the centre and the party organisation in the provinces. However, this government will have to hold general election towards the end of 1988 and the beginning of 1989. Political, economic and international pressures will force the Junejo government to go to the polls. If the government hesitates, then I am afraid some extra-constitutional operations might come to the forefront."

The doyen of the Gilani family parried questions on the recent meeting in Islamabad between NPP chief Ghulam Mustafa Jatoi and members of the Parliamentary Opposition Group (POG) headed by Khanewal's Fakar Imam. He

merely said the NPP and the OPG were moving in the same direction and further exploring accepted parameters, such as saving the Federation of Pakistan and restoration of full democracy.

But in the lobbies of the National Assembly, it was said that both the NPP and the POG had decided to set up two separate committees to arrive at a consensus on major national issues. While there was appreciation of the role of the POG in the National Assembly, according to Assembly watchers, Mr Ghulam Mustafa Jatoi is believed to have advised the POG members to strengthen their political moorings amongst the people and work outside the hallowed orbit of parliament.

Kasur's Sardar Asif Ahmed Ali, sipping tea in the cafeteria sounded a different note on the recent meeting of Ghulam Mustafa Jatoi with POG members. Said Asif: "We in the POG feel that Mr Ghulam Mustafa Jatoi is a national leader who believes in preserving the Federation of Pakistan and the restoration of constitutional democracy. And we have had a very useful exchange of views with him. But we in the POG do not agree with everything Mr Jatoi stands for. We have made our viewpoint known that the need of the hour is unity in diversity irrespective of mutual differences. The POG will continue to work for total democracy, both inside and outside the National Assembly."

/8309

CSO: 4600/09

ASSEMBLY DEBATE ON POLITICAL PRISONERS TERMED 'STORMY'

Karachi DAWN in English 8 Oct 87 p 12

[Article by Anis Mirza]

[Text] For almost two years independent member Mumtaz Ahmed Tarrar, a human rights activist, has been vigorously campaigning for the right of judicial review to political prisoners languishing in jails. On Wednesday morning Tarrar's privilege motion on political prisoners supported by 41 members from both Government as well as Opposition benches, turned out to be a turning point in the campaign. For almost two and a half hours, the National Assembly was caught in a stormy marathon sequence. Ironically the House that had endorsed the 8-year umbrella of Martial Law under the Eighth Amendment, was asking the Government to review the cases of prisoners convicted by Martial law courts.

Mumtaz Ahmad Tarrar's privilege motion was a move of many parts. He argued that the late smuggler Abdullah Bhatti had been released despite repeated convictions, but prisoners of conscience were being denied judicial review. He mentioned Ghulam Mustafa Khar and others detained in jails and reminded the Junejo Government that the Special Committee appointed by the Prime Minister to look into hardship martial law cases had not presented its report before the House.

Just as Tarrar mentioned Mustafa Khar's name an army of speakers rose from their seats. Ghulam Murtaza Khar, younger brother of Ghulam Mustafa Khar, pleaded for his brother's release. He said the Khar family had suffered financially and Ghulam Mustafa's house in Government custody was in shambles.

From both sides members supported the Tarrar motion, but singled out the erstwhile strong-arm tactics and excesses of Mustafa Khar when he was the Punjab Governor during the Bhutto regime. Toba Tek Singh's M. Hamza said while justice was due to the political prisoners convicted under Martial Law, the country would never forget the excesses committed by the Mustafa Khar Government in the Punjab against innocent people. A member from Sargodha reminded the members that former PPP stalwarts sitting in the National Assembly, who were pleading Mustafa Khar's case in the hey day of power were responsible for confiscating the wealth of political opponents.

The political prisoners interlude terminated when Justice Minister Wasim Sajjad took the floor. Wasim opposed the privilege motion and focused his stance through a cascade of legal arguments. He said the late Abdullah Bhatti was released under exercise of legal powers by the Sind Governor. Khar's case was pending before the High Court and was sub judice. He also reminded the members that the House had validated Martial Law regulations and that the Special Committee set by the Prime Minister outside Parliament would not review cases in which heinous crimes were involved. House Speaker Chatha ruled out the privilege motion.

Later in the lobby Mumtaz Ahmed Tarrar said, towards the end of October, the prisoners issue

would assume the colour of a movement. "We will have a convention of political workers and go from district to district, beginning with Sialkot where a law-graduate, Asif Butt, is languishing under a 39-year prison sentence" Tarrar remarked.

Ghulam Murtaza Khar standing close by, said Mustafa Khar imprisoned in the Rawalpindi jail, was running fever and had a heart problem due to blockage of arteries. He said Mustafa Khar had been given an A class prison accommodation and food was served by the Rawalpindi jail authorities.

When Justice Minister Sajjad rose to introduce the controversial Special Courts for Speedy Trials Bill 1987, by far the most stringent criticism and opposition came from two women members, Larkana's Rashida Khuro and Dera Ghazi Khan's Dureshawar Mazzari. Rashida Khuhro daughter of the late Mohammed Ayub Khuhro, told Speaker Chatha that she had not endorsed the Special Courts Bill in the Standing Committee and the report could not be laid in the House unless her dissent was made known.

Speaker Hamid Nasir Chatha said his Secretariat had received the Standing Committee's report and if there was a note of dissent she should have included it.

Opposing the Bill sociologist Dureshawar Mazzari speaking with considerable abandon, said Government was armed with a deluge of protective laws and acts. Speaking in English Dureshawar added: "Government has the Huddood Ordinance, the Khoonda Act, the Shariat Court, the Qazi Courts and so on. Recently the Suppression of Terrorist Activities Act was passed. The average citizen in Pakistan has been overawed by the multiplicity of laws."

The woman member from Dera Ghazi Khan warned the Government that with the passage of the current Bill the provincial Government and the district level administration would employ its provisions for victimisation of political opponents. "Instead of improving the judiciary, every Government in power looks for gimmicks to escape responsibility. We thus weaken our democratic institutions," Dureshawar added.

/8309

CSO: 4600/10

ASSEMBLY CONTINUES DEBATE ON SPECIAL COURTS

Karachi DAWN in English 12 Oct 87 p 1

[Text]

OCTOBER 11: Prime Minister Mohammad Khan Junejo has set up a special committee to review the "Special Courts for Speedy Trials Bill", at present under consideration in the National Assembly, to recommend substantial changes because of the severe opposition to the bill both from within the party and the Opposition groups, usually well-informed PML sources disclosed here on Sunday.

The committee, set up today, has been asked to complete its task by Monday evening when the recommendations will be placed before the PML Parliamentary Group in the National Assembly.

The PML Parliamentary Group, according to the sources, will meet on Tuesday evening and besides considering the proposed amendments in the bill, is also likely to decide how long to continue the present session of the assembly.

The proposed changes are being made on the demand of the PML members who are deadly opposed to the bill.

A high-level meeting was held in the Prime Minister's Chamber on Sunday to discuss the issue. Presided over by Mr Junejo, it was attended among others by Justice Minister Wasim Sajjad, MNAs, Mohammad Nawaz Khokhar, Sardar Aslam, Malik Sarfraz, Sahibzada Noor Hassan, Begum Dur-i-Shehwar Mazari, Begum Salma Ahmad and Begum Rehana Mashadi. Besides, the Federal Law Secretary was also present in the meeting.

The members reportedly told the Prime Minister that they would not be in a position to support the bill in its present form.

Some members also pointed out

that there was no need for moving such a bill and the purpose of the bill could well be achieved through certain administrative measures.

The PML members also feared that if substantial changes were not brought about in the bill, a division would be created in the ranks of the party. Besides, a total boycott from the Opposition benches, they observed, was also imminent on this bill.

The Prime Minister reportedly gave a patient hearing to the arguments of the PML members and agreed to form a committee to review the bill and recommended substantial changes. He, however, opposed the idea, tabled by a member, that the bill should be withdrawn at this stage.

Meanwhile, according to a highly placed source, the present bill was originally moved by the Government on the insistence of the Punjab Government. The source disclosed that it was the Punjab Government which initiated the move to bring radical changes in the existing laws, although, at that time too, the idea was opposed by several members of the ruling party.

NA DEBATE: The National Assembly on Sunday continued general discussion on the bill to provide for the establishment of special courts for the speedy trial

Jamaat-i-Islami member Maulana Gohar Rehman continued his speech on the bill

The Jamaat member differed with the proposed clause in the bill, empowering the court to try an accused person in absentia. He said that at least six months should be allowed before holding trial in absentia.

REPORT VIEWS DEBATE ON SPECIAL COURTS BILL

Karachi DAWN in English 12 Oct 87 p 8

[Article by Anis Mirza]

[Text]

When the National Assembly began its session on Sunday after the week-end recess, under a grey rain-drenched sky, there were more empty seats than people. The Treasury Benches wore a deserted look and even on the Opposition side there were fewer faces.

The day's proceedings were stalled when Baluchistan's Independent member Mir Zafarullah Khan Jamali reminded the Speaker around midday, that the Assembly was functioning without a quorum. The Quorum Bill resounded through the empty lobbies but with no response. Said Qasur's bearded politician Sardar Asif Ali in the cafeteria: "We in the Opposition will oppose this Bill tooth and nail and from information available to us, this bill has been engineered by the Punjab government and the legal bureaucrats of the Punjab. It is the blackest of black laws."

Thirty minutes before the House turned to legislative business, Prime Minister Junejo landed in an army helicopter on the helipad situated behind the imposing Presidency and National Assembly building. The Prime Minister was returning after attending an officers training function at Mangla. Mr Junejo unlike previous Prime Ministers, despite his arduous engagements attends the Assembly sessions regularly and his appearance during question hour is practically a daily phenomenon. The sudden yet conspicuous disappearance of the Pakistan Muslim League members during the Bill's debut might well be the signal for concern to the party in power.

Said one PML member who did not wish to be identified: "The appearance of the special courts for Speedy Trials Bill at this juncture is uncalled for. For 40 years the people of Pakistan have been subjected to the excesses of Martial Law and the strong arm tactics of authoritarian Governments. Everybody is tired and fearful."

Mandi Bahauddin, lawyer Mumtaz Ahmed Tarrar remarked in the lobby: "This is a dangerous bill, more dangerous than the Emergency. Government will have absolute discretion to politically victimize dissidents. The smallest offence can open the door for victimization and corruption. The Special Court judges will serve the interests of Government."

Oxford-educated Sardar Asif Ali was in contrast more emphatic: "The Special Courts Speedy Trials bill if passed will destroy the independence of the Judiciary and it will be the negation of the processes of law, which is central to the rule of law. Most certainly it will be used against political opponents. This bill is the civilian version of summary military courts and the bill confirms our fears that this whole system might be after all the civilian face of martial law."

Jamaat-i-Islami's Maulana Gauhar-ur-Rahman's marathon two-and-a-half hour speech on the Speedy Trials Bill ultimately turned into a free-for-all in the National Assembly. Justice Minister Wasim Sajjad intervening said the Maulana was going off the track, since the House had not begun the general discussion on the Speedy

Trials Bill. About this time the ecclesiast from Mardan was trying to prove his point, that the bill was in consonance with black oppressive laws contrived during the British period.

Gauhar-ur-Rahman lashed back with anger when a filibustering Muslim League member, Raja Afzar charged, that the Maulana from Mardan was sermonising and was trying to turn the House into a masjid. Enraged Gauhar-ur-Rehman snapped: Yes 'I would have been happy if this National Assembly had been turned into a masjid. We would have been discussing the Ninth Amendment and the Shariat Bill. This bill is a chapter from British rule and has been brought by jagirdars and capitalists who were the creations of the British. Islam does not stand for capitalism and landlordism whether they come from Larkana or Sindhri."

When the Mardan Maulana said only a class of women (not all women) were opposed to the Ninth Amendment and the Shariat Bill, a member from the Muslim League asked Gauhar whether it was appropriate and Islamic for him to be sitting in the same hall with women. Maulana Gauhar-ur-Rehman replied that in Islam women had the right of vote and could sit separately in parliament provided they were properly veiled.

From the women's reserved seats, Bilquis Nasruminallah interrupted: "We disagree with Maulana Sahib. We are not purdahless women. He knows that in the hundreds of villages Muslim wo-

men do not wear the veil, and yet they are the quintessence of Islamic modesty (Sharam Aur Haya). Those who reflect on women without the veil, should first learn to lower their eyes." Loud applause emanated from the Women's Benches.

Woman member Dureshawar Mazzari from Dera Ghazi Khan asked with a degree of curiosity: "Is this debate on women or the Speedy Trials Bill?"

Maulana Gauhar-ur-Rehman's interrupted oration came to a sudden standstill, when a member pointed out that there was no quorum in the National Assembly for the second time. House Chairman Haji Yaqub adjourned the session.

/8309

CSO: 4600/11

COMMENTARY VIEWS ELECTION PREPARATIONS

Karachi DAWN in English 12 Oct 87 p 5

[Article by Ayaz Amir]

[Text]

DESPITE the clever disclaimers of Prime Minister Junejo (and his sudden concern for wheat sowing and paddy harvesting) the much talked-about local elections (about which much ink has been spilt this summer) are likely to be held before the year.

Voter lists in Punjab have been published and displayed. In the next few days (these lines are being written on the eighth) lists of municipal and district council constituencies will also be put on display. The contention within the Muslim League (why call it the ruling party since the actual rulers of this country sit elsewhere) about the shape and nature of district council seats has finally been resolved in favour of constituencies with populations of roughly twenty-two and a half thousand each. In practice this means coupling two union councils together to form a single district council *Halqa*.

Once this essential homework is completed all that will remain for the Muslim League will be to choose the most propitious time for announcing a date for the local elections. No marks for guessing that such an announcement will come suddenly. In order to deprive the opposition parties of sufficient time to cobble together an appropriate strategy of their own. Against this background (and if what has been written above is not

a load of rubbish), the statements being made by zealous PPP partisans that the Government is scared of the coming polls and is thinking of means of flight from them are slightly premature. The PPP should be girding up its loins and oiling its rather cumbersome machinery in order not to be taken unawares by a snap announcement. Before it knows, these elections will be upon its head. As a matter of fact, the day the lists of the various constituencies are published campaigning will begin in right earnest. In the rural areas of Punjab (I speak of the *Barani* areas from where I come) prospective representatives of the people, consumed by the burning ambition to serve the people (I would have to plead guilty to the same charge), have already begun sounding the grassroots and testing the waters.

The larger *Halqas* in 1983 (almost half the size of a normal provincial assembly constituency) put a brake on the hopes of many ambitious souls. But the smaller *Halqas* this time are going to bring more contenders into the field, making the coming elections a very hotly contested affair. For the next two months at least (unless, of course, the Afghan secret service decides to add to the sum of our troubles), everything else will recede into the background as towns and villages resound to the clang of election symbols, with myriads of candidates promising to provide fearless leadership (*Bebaak Qiadat*) and selfless service (*Belaus Khidmat*). This perhaps is

the way of elections all over the world. But it really does not matter since each set of elections produces its own pack of scoundrels.

It is a fallacy to suppose, as a lot of people do in Pakistan, that elections by themselves are a panacea for all the ills of the world. India's example should be enough to cure us of this delusion. Successive elections there have not prevented a sharp deterioration in the quality of public life or a sharp increase in the sum of national corruption. As Ken Livingstone, the radical British MP (such terms are relative in England) has rightly said, if elections changed anything, the ruling classes would never hold them. This, of course, does not mean that military rule is better than civilian rule. The best example of the former is infinitely worse than the worst of the latter. This cliché spawned by the experience of our last Martial Law expresses a basic truth. But it should not foster the belief that once regular elections are secured, the end of the road will be in sight.

At any rate, as already suggested, the coming elections will be contested keenly. One indication of this is the PPP's intention to enter the lists, albeit indirectly. Its decision to invite applications from prospective candidates, however, seems somewhat ill-grounded. In partyless elections such as we will have, the number of candidates willing to be tarred by the brush of collaboration with any party, even the PPP, does not promise to be very large. At least not in the Pun-

jab countryside where local elections are fought on narrow grounds and where *biradri* connections, local influence and local reputation constitute more important factors than affiliation with a political party.

It might consequently have been a better thing if the PPP could have gone about its preparations more discreetly. The word could have been sent to its local branches to ready themselves for the elections and to draw up lists of prospective candidates. Perhaps the party thinks that there will be a rush of applicants (each having to deposit a fee of Rs 200) seeking its support in these elections. Chances, however, are that the party leadership is in for a disappointment on this score. Not that it is going to make the slightest difference to the leadership's belief in its own infallibility. After the treacherous winds of Mian Channu the leadership has added new dimensions to the meaning of the word 'revisionism'. At the recent meeting of the Punjab council of the party, presided over by Miss Bhutto herself, it was said with a straight face that the PPP had not taken part in that ill-fated bye-election at all. And this in an inner party meeting where some degree of self-criticism might have been in order.

To speculate as to which party will emerge victorious in the coming elections is a pointless exercise. In local elections, especially those held on a non-party basis, party loyalties by definition are not decisive. In the special milieu which prevails in our countryside, whether in Punjab or Sind, or indeed in the other two provinces, it is hard for successful local councilors to be on the wrong side of the district administrative machinery. The pressure to conform to the prevailing bureaucratic winds is very strong. The conduct of successful contenders tends as a result to be governed by discretion rather than heedless valour. Even in the much-touted 1979 elections when large numbers of "Awam Dost" candidates associated with the PPP coasted to victory, a lot of them felt no qualms about severing their party links and siding with the Government as soon as the elections were over. The prospect of patronage and the love of development funds at one's disposal makes floor-crossing an easy affair.

This factor becomes all the more powerful when a party itself becomes a bit promiscuous about its membership. If the PPP in its wisdom has decided to form a committee of rural grandees headed by Mr Farooq Leghari to recruit "notables and influentials" into its ranks, then it should not expect too much ideological rigour from its rank and file. These notables and influentials (the bane of our politics) have sided with every government since the days of Maharaja Ranjit Singh. Why should the PPP think that the ones roped in by Mr Leghari for the party's higher goodwill be any more consistent or brave than their forbears? The Muslim League, therefore, has nothing to fear from the coming elections.

Regardless of the labels that candidates put on their foreheads, the vast majority of those who will be elected will be proud to enrol themselves in the King's Party, the one which has ruled Pakistan since its inception and which even at the moment in the person of Mr Mohammad Khan Junejo is ensconced in the secondary (the distinction is important) citadels of power.

PAKISTAN

SOUTH ASIA

LOCAL ELECTIONS: PPP INVITES CANDIDATES

Karachi DAWN in English 7 Oct 87 p 3

[Text]

LAHORE, Oct 6: The Punjab PPP has invited applications from candidates desiring PPP support in the forthcoming Local Bodies election.

According to a Press release issued by PPP Punjab secretariate applications should reach district president or treasurer of the concerned organisation of the party from Oct 9 to 15, on the prescribed party form.—PPI

/8309

CSO: 4600/09

COMMENTARY CRITICIZES 'VACILLATING' APPROACH TO LOCAL ELECTIONS

Karachi DAWN in English 7 Oct 87 p 7

[Editorial: "Why All This Confusion About Local Polls?"]

[Text]

WHEN it comes to deciding when the local bodies elections will be held in the country, the Government has proved to be strangely indecisive. The suspense generated over this issue in recent months has continued to grow, at some cost to the credibility of the ruling Muslim League. Initially, the Prime Minister had promised that the elections would be held according to schedule — which meant in late September or early October. At the same time, doubts about this prospect were expressed by other party leaders. The necessary delimitation of municipal constituencies was seen to be painfully slow in Punjab and Sind. However, on September 15, the Prime Minister told the parliamentary group of his party that local bodies' elections would be held in November and December and the provincial Governments would announce their respective schedules. Even that promise has now been qualified by the Prime Minister by stating in Lahore earlier this week that the elections might be delayed a little, but "the schedule will not be delayed for a long period". No firm dates are still available; suspense and uncertainty persist. A new element in this waiting and watching game is the belated realisation that the rural population will be

busy harvesting the paddy crop and sowing wheat from mid-October to mid-December. Hence, this time the Prime Minister has explained the proposed delay by referring to the problems of the agriculturists. This means that the local bodies elections are not likely until the beginning of the next year. There have been reports that the Punjab members of the National and Provincial assemblies would want elections to be held in February or March next year. It has been argued that the local councils' term could be extended to March 1988 under the existing law.

But the timing is not the only element of uncertainty about the first local bodies elections to be held after the lifting of Martial Law. It would be natural to expect the present civilian Government, which has resurrected the party system because of obvious political compulsions, to hold the municipal elections on a party basis and make it known as a settled issue. But that, however, was not to be. This issue, too, was left undecided for a long time and the official Muslim League has finally decided that the elections will be held on a non-party basis. Even though local elections do not usually involve national political parties in a big way, any restrictions on parties to field their official

candidates seems completely out of tune with the imperatives of the ongoing process of restoration of democracy. Local bodies form the essential base of our political structure, and the Prime Minister himself has been stressing the importance of local government as a nursery of national leaders. We should have learnt by now that non-party elections would further accentuate our tribal, ethnic, sectarian and *biradari* divisions. But while the decision that the elections would be on a non-party basis has been announced, rules and guidelines for the local council and municipal elections have not been framed yet. The Prime Minister has confirmed that his Government has not taken any decision about rules to be applied to the local bodies polls. He has also denied that the candidates would be required formally to recognise the present parliament and provincial assemblies as a condition for their being allowed to contest. Still, an air of mystery around these questions persists, adding to uncertainties about the direction politics is to take and about the ability and willingness of Government to take a final position on this crucial issue and adhere unwaveringly to the established postulates and stipulations of a democratic order.

One wonders if the political rulers realise the implications of their vacillating approach to local bodies elections which are seen by observers as a test of their following at the grass-roots level. If the Government's promise of moving towards fuller democracy is seriously meant, firm schedules for local elections should be announced forthwith and the elections should be held in a free and fair manner, without any restrictions whatsoever. If this is not

done, the ruling party will make itself a target of accusations that it desires to circumvent the very principles it swears by. The entire democratic process, launched with the lifting of Martial Law, would seem to have been deflected from its charted course if the local bodies elections are made unduly restrictive. Regular elections to representative bodies at fixed intervals are of the essence of democracy. Indeed, there should have been no confusion about the timing of the local elections. No pretext — neither the law and order situation nor the sowing of wheat — should be used to justify uncalled for postponement of an electoral exercise. How the two previous elections were conducted under Martial Law should also not be a valid point of reference for the present civilian rulers if they are committed to unfettered democracy. In 1979 and 1983 the military regime did not allow any public meetings or the use of the sound system for even indoor gatherings. Political activities have long since been revived and the ruling party is itself preparing its strategy for the local elections — though it insists on holding them on a non-party basis. The best thing would be not to prescribe any restrictions and allow the people a free choice. By not making up its mind about when exactly to hold these elections and in what manner, the Government risks an impairment of its credibility — a commodity too precious to lose for any tactical advantage.

NOORANI COMMENTS ON JI, RIGHTIST ALLIANCE

Karachi DAWN in English 12 Oct 87 p 8

[Text] MULTAN, Oct 11: Maulana Shah Ahmed Noorani, chief of Jamiat Ulema-i-Pakistan on Sunday said he would not rule out the possibility of a broad-based alliance of rightist parties but Jamaat-i-Islami would not be included in it.

Talking to newsmen at Multan airport the Maulana said JUP was the second largest party in the country after the PPP and the ruling Muslim League could assess its popularity in next general elections.

The JUP chief said his party would take part in general elections in all cases whether these were held on proportional representation system or according to the provisions of 1973 Constitution, whether these were held in 1990 or before.

Maulana Noorani said his party believed in democratic process and had boycotted the elections in 1985 because these were held under the Martial Law for providing indemnity to the Martial Law. He said the existing government was incapable to meet the internal and external crisis and was now exposed to the world.

Maulana Noorani alleged that Jamaat-i-Islami was being financed by Saudi Arabia and General Zia-ul-Haq was patronising it. "But we would not allow anyone to achieve ones objectives," he said.

Maulana Noorani said all regional, communal and ethnic parties were functioning under the patronage and umbrella of the Government and said those preaching secularism, communism, and Socialism were also fanning sec-

tarianism. He made it clear the JUP did not believe in sectarianism and had always struggled for maintaining harmony and fraternity among the Muslims.

Maulana Saheb said he had deferred his programme to visit Afghanistan in view of Eid Milad-un-Nabi and local-body elections. He said there were a large number of Hanafi Sunnis in Afghanistan and they had invited him for "tabligh" and exchanging views on current situation. He said during his visit of Afghanistan he and his companions would review the current political, economic and religious situation there. He would pave way for early and peaceful repatriation of Afghan refugees to their homeland, he said. The Maulana said the JI did not want to resolve the Afghan issue because Afghan refugees were main source of income of this party.

The Maulana said Pakistan could not afford conflict with Afghanistan, Iran or any other country and should display its impartiality in the Gulf war.

He said the Government was directly involved in subversive activities and bomb blasts to divert the attention of the people from real issue of price hike, unemployment and starvation to instances of violences.

The JUP, he said, would take part in local-body elections and would patronise such candidates who had struggled for Nizam-i-Mustafa. However the JUP would not support such candidates who had played a role of the Martial Law regime's agents in past. District parliamentary committees had been formed to pick and choose JUP candidates for local-body elections, he said.

JATOI ATTACKS SBPF, JIYE SIND

Karachi DAWN in English 12 Oct 87 p 8

[Text]

ATTOCK, Oct 11: Mr Ghulam Mustafa Jatoi, Chairman, National People's Party (NPP), has described the programme of Sindhi-Baluch-Pakhtun Front (SBPF) as illogical, unjustified and totally against the integrity and solidarity of Pakistan.

Addressing various delegations at the residence of Zamurad Khan, an advocate during his one-day visit here on Saturday, Mr Jatoi pointed out that SBPF's programme was as damaging for Pakistan as that of late Sh. Mujibur Rehman's before 1971.

He observed that Mujibur Rehman never claimed publicly that he wanted separation of East Pakistan from the West wing, yet his programme, resulted in the dismemberment of the biggest Muslim state of the world.

Similar was the case with my "friends" the leaders of SBPF, who publicly avoid to speak about their nefarious designs of damaging the unity of the country, but in fact have come out with a programme which is totally against the unity of Pakistan based on federal system, Mr Jatoi alleged.

The NPP Chairman said that the intention of the SBPF leaders could be judged from the fact, that according to their declaration no one from Punjab, the biggest province of the country could get their membership.

The NPP chief was critical of the government's lenient attitude towards people who speaks against Pakistan like G.M. Syed whose nefarious designs of dismembering Pakistan were known to every one.

The NPP Chairman described propaganda made by SBPF and Jiay Sind movement as totally baseless that Punjabis had usurped

the rights of smaller provinces. The SBPF demand to give more than 60 per cent population of Punjab only 25 per cent share from the overall resources of the country was unjustified, because the majority of the population of Punjab was equally poor and backward.

Mr. Jatoi warned that SBPF leaders were again trying to make Punjab a scapegoat in a bid to force Punjab to follow East Pakistan.

Mr Jatoi also alleged that one of authors of the 1973 Constitution was describing it as dead. Mr Jatoi, however said "We will put life in this document by ensuring provincial autonomy for all federal units.

Mr Jatoi said the 73 Constitution could be amended according to the aspirations of the people through democratic process, and warned that the nation would be unable to work out another constitution. Mr Ghulam Mustafa Jatoi said that he parted from the PPP, because its Co-Chairperson remained a silent spectator to the formation of SBPF by the talented cousin and a senior colleague of her late father Mr Z.A. Bhutto.

Silence on the formation of an anti-Pakistan body was no way in the interest of the party claiming to be the biggest one in the country.

The NPP Chairman said that he and his colleagues had accepted Begum Nusrat Bhutto and Ms Benazir Bhutto as chairperson of the party but when the question of Pakistan's integrity and upholding of democratic values came, "we parted company and formed a new party, which believes in strengthening Pakistan, the welfare of its people, nourishing of democracy, and an end to injustice, poverty, illiteracy, corruption and nepotism".—PPI

ANTIREFUGEE SENTIMENT IN BALUCHISTAN DISCUSSED

46560112b Islambad HURMAT in Urdu 27 Aug 87 pp 20-21

["Baluchistan Letter" by Abu Safian: "Should the Afghan Refugees Be Sent to the Camps or Not?"]

[Excerpt] The president of the Pakistan National Party--PNP--Baluchistan, Dr Abdul Hakim Lohri, recently held a surprise meeting with the governor of Baluchistan, retired Gen Muhammad Musa, at the governor's residence. Five other party officials were also present. During the meeting, the provincial president of the PNP discussed with the Baluchistan governor the humanitarian problems caused by the Afghan refugees scattered in various cities of Baluchistan, including Quetta. He informed the latter of the PNP's "campaign" to have the Afghan refugees removed from the cities and transferred to the camps. During the meeting, he expressed "no satisfaction" with the provincial government and the chief minister. He expressed the hope that with regard to the campaign to "extradite the Afghan refugees," however, the Baluchistan governor would act realistically, and after deliberating sympathetically over the demand of the PNP, would discuss this matter with the federal government. In a lengthy official handout issued after the meeting, the governor of Baluchistan assured the PNP delegation that appropriate steps would be taken in this regard. The governor also agreed that the refugees were the cause of the problems that had been created and that they should be restricted to the camps. The governor also said that the refugees had been granted asylum purely on a humanitarian basis. As soon as the situation improves in Afghanistan, he said, the refugees would not spend another day here. They would return to their homeland.

Political circles here attach great significance to the meeting of the PNP delegation led by its provincial president with the governor of Baluchistan. Earlier, the delegation had met with the provincial chief secretary, S.R. Ponigar, regarding this matter. In addition, they have appealed to various political parties for cooperation in regard to their campaign. On the political level, with the exception of two parties and a suborganization of the Jamaat-e-Islami, the Islamic Youth Force, every party supporting the

viewpoint of the PNP has demanded that the refugees be transferred from the cities to the camps. On the other hand, the viewpoint of the ANP and the Pushtun Khawanap in this regard is that since the refugees from Afghanistan have settled on Pushtun lands, others have no right to demand their expulsion from there. The stand taken by these two parties and the campaign of the PNP to "expel the refugees" have divided the people here on linguistic and racial lines. Some political forces that practice politics on linguistic and racial lines have worsened the situation, instead of improving it. The heat produced in the linguistic and racial politics here by the arrival of Sher Ali Bacha in Baluchistan from Frontier Province, his meetings and processions, and the meetings and processions of the United Caluch supporters in response, is increasing now. In such circumstances, the process started by the PNP to secure the cooperation of all the parties and press forward to achieve its goal has been commended by the political sector and the public. The PNP's appeal to all political forces for cooperation, and in this regard, its contact with the governor of Baluchistan, was aimed at creating a better situation. Dr Hakim Lohri claims that they are working for the best interest of the ideology of Pakistan, Baluchistan and the people of that province. The aim of their party and politics is to end racial and regional prejudice.

On one hand, the PNP is launching a campaign to remove the Afghan refugees from the cities and transfer them to the camps. On the other hand, the sub-organization of the Jamaat-e-Islami, the Islamic Youth Force, has started a campaign against the transfer of the refugees to the camps. The Islamic Youth Force is also holding meetings simultaneously with the PNP meetings. The members claim that if an effort is made to expel the refugees from the cities, they will resist it with full force. So far, the matter has not gone beyond speeches. If, however, there were to be slight miscalculation on any side, the consequences would be so dreadful that no one would be able to escape from it. An estimate of the munitions in Quetta can be made from the fact that there is hardly a day when the citizens of Quetta have not heard the sound of 400 to 500 bullets fired from Kalashnikovs. The administration should take serious notice of this matter. If it does not take immediate steps against those who threaten resistance and severe consequences, at any time the situation could get beyond the control of the administration itself.

9779/9738

ORGANIZATIONS APPEAL TO JUNEJO ON THAR DROUGHT

Karachi DAWN in English 8 Oct 87 p 3

[Text]

HYDERABAD, Oct 7: A meeting of the ten Thar organisations has drawn the attention of Prime Minister Mohammad Khan Junejo to the pathetic conditions of one million "Tharis" who are fighting a battle of life and death because of the worst drought of the century.

The meeting which was presided over by Arbab Abdul Malik here on Wednesday noted that because of famine, thousands of persons had migrated to other places whereas over one and a half million cattle-head had been killed.

The meeting regretted that while millions of Afghanis, Iranians, Bengalis and Indians were getting all amenities of life in Pakistan, its own national had died in thousands for want of water and food.

The meeting appealed to the Prime Minister to adopt long term and short term measures to ameliorate the lot of the people of Thar.

The meeting reminded the Prime Minister that the Rajasthan government under similar conditions had been able to resolve the problem on permanent basis just across the border and there was no reason why Pakistan government could not follow suit.

The ten organisations included Thar Samaj Sudhar Society, Marvi Cultural Council Dahat Sakafati Sangat, Malir Intellectual Forum, Thar Muslim Welfare Society, Thar Historical and Cultural Club Rajasthan Friends Forum, Pari Nagar National Academy, Karunghar Abadi Majlis, Bhalu Uheer Women Federation and Thar Students Action Committee.

SIND UNVEILS DEVELOPMENT PLAN FOR THAR DESERT

Karachi DAWN (Business Supplement) in English 8 Oct 87 pp I, IV

[Text]

KARACHI, Oct 7: The Sind Government has prepared a stupendous Rs 8,394 million long-term development plan for arid zone of Sind province and forwarded the same to the Federal Government to approach the foreign donor agencies for assistance.

This was disclosed by the Sind Minister for Planning and Development, Mr Javed Sultan Japanwala, while talking to newsmen at his office here today. Also present were the Sind Minister Alhaj Shamimuddin and Khalifo Mohammed Aqil, besides the Additional Chief Secretary, Development, Mr A.B. Soomro and Director General, Sind Arid Zone Development Authority, Mr Mohammed Hashim Memon.

Mr Japanwala said the plan will be executed during the period 1987-92.

He said that PC-I and PC-II of 26 schemes costing Rs 1300 million under the outline plan have been prepared and sent to Federal Government to approach the donor agencies for financial assistance.

He said the Federal Government has agreed to treat the foreign assistance to be received for the plan over and above the Sind ADP. Federal Government has also been requested to treat the local rupee component as federal grant.

He said SAZDA has selected 26 schemes costing Rs 1391.186 million which would form the part of long-term programme. One scheme costing Rs 109.035 million has been picked up by the Japan Government. It is expected that 9 mobile medical units would be made available to SAZDA by April 1988.

Thirteen schemes have been referred to various international donor agencies who have shown willingness to finance these projects. Remaining 12 schemes are pending in the Economic Affairs Division of the Federal Government for arranging the financial assistance through donor agencies.

He said in short-term programme, priority has been given to water, livestock and health sectors. A sum of Rs 9.756 million were received in June 1987 to start the work in the three sectors. Additional sum of Rs 50 million has been received recently from the Sind Government. Priority would be given to complete the ongoing schemes. Proposals for new schemes, has also been prepared.

The minister said the present Government has provided greatly enhanced attention to the arid zone. However on account of the massive resources required to have a substantial impact a systematic approach has been adopted.

He said the projects designed to remove the constraints to development are being implemented on priority basis such as that for exploitation of ground water resources. Both short term and long term needs are being met.

The emergency in Thar region is thus that a short-term problem but a long-term development programme is required to avoid such emergencies in future and to transform the arid zone into a productive area, he added.

He said no government can afford to ignore the arid zone and particularly in Sind since it ac-

counts for 62 per cent of the area and also has the potential of absorbing population which in Sind province doubles after every twenty years.

He said for the first time in the history of Sind province the Government has gone in a big way to tackle arid areas including the calamity situation by taking both short-term and long-term measures.

The drought in Thar division region has worsened this year because there has been no rainfall. The results has been migration of the population, deterioration in livestock which is underfed and does not have access to sufficient water. There is general scarcity of fodders as well as foodgrains because cultivation depends entirely on rains and lower opportunities of employment which revolves around cattle in Thar region.

He said present Government has taken immediate measures to redress the situation and on the whole Rs 88 million has been provided for this purpose. These measures are: relief was organised on large scale and Zakat and Ushr Department was mobilized. An amount of Rs 68.36 million has been released in the current fiscal year 1987-88. Other funds amounting to Rs 7.5 million have also been sanctioned.

The specific measures are: (A) supply of 33026 bags of wheat at subsidized rate of Rs 169.29 per hundred kilograms every month through 170 distribution centres. (B) Rs 12.62 million have been spent on subsidy and transportation of foodgrains. (C) Remissions

in land revenue and taccavi loans have been allowed to the extent of Rs. 1.2 million. (D) Zakat funds have been released for the benefit of about 60,000 families.

(E) Rs. 0.75 million was provided to people belonging to the other communities not entitled to Zakat/Sadaqat. (F) The Prime Minister has sanctioned Rs 15 million for relief purposes including distribution of Rs 300 per family among 15,000 non-Muslim families.

(G) The Chief Minister has sanctioned Rs two million for provision of fodder for free distribution and its transportation has already started. (H) The fee in Government hospitals have been waived until further orders.

He said in order to provide immediate relief to the residents of the area the following projects have been taken in hand by SAZDA for Thar region:

(A) a total of eleven traditional wells are being constructed and will be completed by June 1988. (B) Excavation of seventy *taraies* and desilting of 91 existing *taraies* is in progress and will be completed by December, 1987.

(C) A total of 31 *tonkas* are under construction out of which ten *tonkas* are nearing completion and the remaining 21 *tonkas* will be completed by June 1988.

(D) A child survival unit has been set up with the assistance of UNICEF which is providing services to the people of area.

(E) Scheme for setting up seven first aid medical centres at the cost

of Rs 2.061 million is under implementation to provide basic medical attention to the residents.

The Minister said that the major development constraint faced by the arid zone is that of water resources. Survey and investigation of ground water resources, is, therefore, given a high priority. A scheme costing to Rs 87 million has been cleared by CDWP and is to be considered by ECNEC. This scheme will bring out the water potential of the area and allow further planning on this basis.

To meet the immediate development needs of the arid zone and to establish institutional framework increased funds have been provided to SAZDA from the provincial ADP. For 1987-88 the allocation is Rs 50 million.

He said SAZDA is presently implementing 29 schemes from the provincial ADP. These include construction of base stations, water supply, veterinary centres, health centres and education. The total cost of these schemes is Rs 58.15 million.

In the current financial year 21 new schemes costing Rs 14.77 million have also been included in the SAZDA programme for 1987-88 against Rs 50 million provided in ADP. —APP/PPI.

/8309

CSO: 4600/10

ASSEMBLY MEMBERS URGE INCREASE IN RICE PRICES

Karachi DAWN in English 7 Oct 87 pp 1, 3

[Text]

OCTOBER 6: Agriculturist Members of the National Assembly, irrespective of their party affiliation, on Tuesday joined hands to pass a resolution calling upon the Government to take immediate steps for the increase in paddy prices.

The resolution, although opposed by Federal Food and Agriculture Minister Ibrahim Baluch, was passed by majority votes and only one or two dissenting voices were raised from the Ministers' benches when the resolution was put to vote.

Moved on Sept 8 last on a private members' day by Sahibzada Mohammad Ahmad on behalf of Rana Nazir Ahmad Khan, a heated discussion ensued during the following private members' days and finally it was adopted by the House today.

Earlier, a number of members dilated on the issue and tabled various reasons to justify their demand.

Maulana Gohar Rehman was the only person who, although supported the idea of increase in the paddy prices, but at the same time demanded that the benefit of this

increase should go to the peasants and not the jagirdars alone.

Mr Abdul Hameed Jatui, MNA from Dadu, pointed out that the price of "Basmati" rice (produced in Punjab) is more than hundred times than the "coarse" rice of his province.

But Mr Liaquat Baluch, rising on a point of order, clarified that Basmati is produced in only three districts of Punjab, while in remaining areas it is the same "IRRI-six" (coarse rice) which is being grown.

The member from Dadu also complained that the Agriculture Department was not providing any expert advice to the Sindhi farmers to facilitate and encourage them in adopting "Basmati" cultivation in their province. He also pointed out that the farmers of his province were even being denied "Basmati" seed.

The wide gulf between the prices of Basmati and IRRI, he alleged, was due to provincial disparity. The rich are becoming richer and the poor becoming poorer because

of these policies of the government, he opined.

Mr Jatoi observed that unlike Punjab, the major area in Sind has only one crop of rice in the whole year because of seasonal canal system. The prices of paddy, he added, were not enough to encourage the farmers and demanded to make a reasonable increase to bridge the gap between prices of Basmati and IRRI.

Mohammad Akram Khan, also supported the motion but did not agree with the contention of Mr Jatoi that Basmati was grown in all areas of the Punjab. He said only three districts of the province have the potential and the required soil to grow Basmati rice. He also pointed out that the prices of agricultural inputs have increased considerably as compared to the increase announced by the Government in paddy prices.

He also demanded that instead of fixing the prices of rice, the price of paddy should be fixed so that the growers could benefit more.

Rai Salahuddin pointed out that the total cost of paddy crop per acre is about Rs 2200 as against the average yield of 20 maunds per acre. He demanded to fix paddy price at Rs 200 per maund.

Mr Illahi Bukhsh Soomro, was of the opinion that the paddy prices should be increased instead of enhancing the prices of rice, the benefit of which goes to the miller. He said that the prices of agricultural inputs have increased manifold during the last many years while the price of paddy had remained stagnant.

Mr Soomro said that the prices of

other crops during the last three years have also shown an increase of 27 per cent. He did not agree with the contention of the Treasury Benches that IRRI does not attract good prices in the international market.

Mir Zafarullah Khan Jamali also supported the resolution and complained that his province has the potential of producing Basmati quality rice but the seed was not provided to them by the Agriculture Department.

Syed Ahmad Alam Anwar, observed that principles of equity and justice are being ignored by the policy makers while formulation and fixing them prices of paddy. Without increasing the prices of crops, he pointed out, neither the social conditions of the farmers and growers can be changed nor the trend of rural migration can be checked.

He also defended the feudal class and alleged that some vested interest was trying to distort the image of his class. Besides, he added, the Government was earning much higher profits in the international markets hence it should share its profits with the growers and give them their due right.

Federal Minister for Food and Agriculture, Mr Ibrahim Baluch winding up the debate opposed the resolution and said that prices were fixed after taking into consideration various factors.

He claimed that the cost of production of IRRI-six in Sind was worked out by the Government at Rs 42.50 per maund as against Rs 57 given to them.

However, when put to vote, even the members of the official party gave their decision in favour of the resolution.

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CSO: 4600/09

ECONOMIC COMMENTARY VIEWS 'BORROWED PROSPERITY'

Karachi DAWN in English 8 Oct 87 p 7

[Article by Sultan Ahmed]

[Text] **LARGE** budget deficits and the heavy deficit financing, which in effect is printing of notes, have been major contentious fiscal issues in Pakistan. And last Thursday the Parliamentary Secretary for Finance, Rana Tanvir Husain, astounded budget-watchers when he told the National Assembly that the extent of deficit financing resorted to in the last two years did not exceed Rs 40 billion.

He then confused them further by saying that the deficit financing in 1985-86 was to the extent of Rs 6 billion and in 1986-87 Rs 10 billion. The figure for last year as given by Finance Minister Yasin Wattoo in his budget speech was Rs 11.74 billion. So did the revenue position improve so much or expenditure drop so substantially since then, to result in a fall in the deficit by Rs 1.74 billion?

Regardless of this difference, what is important is that whether the deficit financing was to the extent of under Rs 40 billion during the last two years or only Rs 16 billion, that had been done despite the firm commitment given by Dr Mahbubul Haq earlier and Mr Wattoo later, as Finance Ministers that deficit financing would not be resorted to following the massive dose of Rs 18 billion in deficit financing done in 1984-85, which staggered even the budget-makers.

Note printing

In fact, the massive printing of extra notes to cover yawning budget deficits has become the way of fiscal life with us even after Mr Ghulam Ishaq Khan as Finance Minister had decried that as a "horrible form of taxation," and former Finance Secretary H.U. Beg had been equally deprecatory.

What is really amazing is that despite such flooding of the market with massive doses of currency notes, higher support prices for the food crops and the steady devaluation of the rupee, which should push up the Consumer Price Index, the Government still asserts that inflation last year was only 3.9 per cent, and the year before 4.8 per cent. And those figures went unchallenged in the NA as the present members are exceedingly well paid and provided with varied perquisites, apart from development funds of Rs 5 million per year.

The fact is that all such figures do not meet together, and details of the figures given do not add up to equal the gross sums officially mentioned. For the last three years the budget figures are presented in a rather loose form, and no efforts are made to tie them up and leave behind no nagging loose ends or to reconcile the contradictions. It is unfortunate that this should be happening following the elections, and while an elected government is presenting the budget.

Hence the Public Accounts Com-

mittee of the NA has now suggested that standing committees of the assembly for each Federal Ministry should scrutinise and clear the budget proposals and annual development programme of each administrative division with which they are concerned before the budget is presented to the assembly. Such a wholesome course pre-supposes that the officials will initially place budgets of their division before the standing committee of their ministry and the members of the committee will really scrutinise the figures carefully in the light of the past performance of each division or Ministry. But this appears to be expecting too much from the MNAs who have been pressing for shorter assembly sessions and making the assembly start too later or adjourn, too soon for want of quorum.

Major issue

The overriding major issue now is not so much the deficit financing but the staggering budget deficits of which the recourse to printing of notes is a part. For the World Bank and IMF what matters is not only the volume of extra notes printed but the real budget deficit. That means all the funds raised by the Government each year, except through taxation and through other non-repayable other income, signify the extent of deficit. Such resources could be foreign, official or bank loans, borrowing from within the country or money mobilised by various autonomous bodies as pensions funds, gratuity etc.

It was on that basis that the World Bank Consortium which pledged 22 billion dollar aid to Pakistan before the budget voiced its sense of alarm over the fact that budget deficit last year had exceeded 7.5 per cent of the GNP or over Rs 45 billion, and asked Pakistan to mobilise more of its own real resources instead of becoming excessively dependent on aid and heavy internal borrowing. And that made Mr A.G.N. Kazi, Deputy Chairman of Planning who attended the Paris Consortium meeting, propose heavy additional taxation to the extent of Rs 20 billion for the current year and make Mr Wattoo present them to the nation through his budget, though very reluctantly.

The national upheaval which greeted that resulted in the drastic revision of the budget which left it with a provision for deficit financing to the extent of Rs 7.65 billion. But now that additional revenues of Rs 10 billion are to be raised through export duties on cotton, yarn and rice the current budget should end with a surplus. But because of the heavy official spending the year may not end far better than the previous years.

Presenting the budget, Mr Wattoo said the current account deficit for last year which was initially estimated at Rs 12.8 billion rose to Rs 21.5 billion, and estimates of deficit for the current year before taxation was Rs 28 billion. This is not a case of raising larger funds for development. The revenue budget, too, has been showing large deficits, and that deficit this year prior to additional taxation was as large as Rs 21.3 billion or equal to 21 per cent of the revenue budget.

Confronted with such a budgetary crunch the current expenditure does not go down. Instead the development outlay is slashed. The Annual Development Plan outlay of Rs 47 billion last year was reduced to Rs 44.46 billion, and the ADP outlay of Rs 53 for the current year has been reduced by Rs 5 billion. In reality, the outlay may be far less, excepting in the case of the Prime Minister's Five Point Programme.

Look at how the ADP is to be financed. External aid will contribute Rs 27.3 billion. Internal borrowing will raise Rs 54 billion, out of which Rs 28.3 billion will be spent on repaying old loans, and Rs 21.3 billion used for financing the deficit in the revenue budget, and only Rs 5.1 billion go into development. The autonomous bodies are expected to come up with Rs 3.88 billion as "self-financing," but how much of that is pension, gratuity and other returnable funds with interest thereon?

Such heavy borrowing to finance the deficit in the revenue budget and fund the ADP left the country with an internal debt of Rs 235 billion and external debt of 12 billion dollars by March this year. The internal debt has risen by 300 per

cent within seven years, and servicing both the debt consumes 31 per cent of the budget, leaving very little for essential development demands after funding the defence sector.

Aid cut

In such a context October has begun with a US aid cut for an initial six weeks to force Pakistan give up its nuclear programme. When Prime Minister Junejo met President Reagan in New York he is reported to have insisted on Pakistan opening up its non-safeguarded nuclear installations for inspection. Pakistan has declined that, and Gen Zia-ul-Haq has rejected what he calls "nuclear apartheid" or discrimination. And if the US is not going to be gallant to give us the aid committed and would instead continue its nuclear arm twisting, the World Bank and IMF, which are dominated by the US will not be more generous to Pakistan.

Whether such a painful eventuality comes to pass or not, the time has come for Pakistan to rethink its options. How long can we afford this borrowed prosperity? How can we permit such excessive waste and embezzlements in the official sector? How long can the current expenditure have such high precedence over the compelling needs of development in a developing country of 100 million? The hard choices cannot be put off for long. The drift and self-deception have to give way to earnest efforts to grapple with the economic realities, however painful such exertions can be.

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CSO: 4600/10

REGIME CRITICIZED FOR VIOLATING CIVIL LIBERTIES

46560112a Islambad HURMAT in Urdu 27 Aug 87 pp 8-12

[Interview with Maulana Shah Ahmad Nurani, leader of Jamaat-i-Ulema-i-Pakistan, by HURMAT's Asif Bhalli: "The Same Things Are Happening Now That Happened During the People's Party Rule"; date and place not given]

[Excerpts] Question: Will you analyze the current political situation of the country?

Answer: The delicate juncture of which Pakistan stands at present is a matter of concern for every patriotic party and individual. I believe that the present situation is almost like the circumstances related to the fall of East Pakistan. Rather, it is perhaps much more serious than that. Because at that time Pakistan faced no danger at all from Afghanistan. It is known that 2 to 2 and ½ years ago, President Gen Muhammad Ziaul Haq held nonparty elections in this country, and after preserving martial law for 8 and ½ years, in order to provide continuity, he introduced a new and strange system. The nonparty parliament was eventually changed into a party parliament. If we analyze the tenure of power of the present civil administration, it can be said without fear of refutation that the current administration has not solved a single problem of the country during this 2 and ½ year period. Defense is the most vital issue of a country, followed by the economy. The present civil administration has failed badly in fulfilling the requirements of Pakistan's defense. During this administration, India occupied the Sia Chin Glaciers that were part of Pakistan. Also, from time to time, there are violations of the 1,400-mile-long borders of Frontier Province and Baluchistan. Areas of Pakistan are boldly bombarded. Our administration, instead of giving a blunt reply to these attacks, considers that mere verbal protests are sufficient. The enemy is being encouraged as a result of the administration's failure in the defense of Pakistani borders, so it is only natural for the nation to be despondent and discouraged.

As to the economic situation, that, too, is extremely agonizing. Right now, inflation is at its peak. The country is being weighed down by the burden of loans. In 1977 the country's debt was \$5 billion; that has now increased to \$14 billion. And preparations are under way to obtain further loans. The situation is such that we are incapable of paying even the interest.

As you are aware, Pakistanis working abroad earn and remit tens of millions of rupees in foreign exchange. But, due to the extravagance and corruption of the martial law administration, the entire foreign exchange was wasted. No industry was established with it. This capital was not utilized for some productive project. The situation now is such that even for small undertakings, we have to obtain loans from abroad. The corporations of Karachi and Lahore have obtained loans for the construction of roads and sewage systems. In other words, we are incapable of constructing even our roads, streets and pipelines with the country's capital.

Question: Recently, with a view to simplicity and economy, the administration decided to use small cars instead of big ones. Don't you view this decision as praiseworthy?

Answer: These are very ordinary measures. What difference does it make if one drop is removed from the ocean of the administration's extravagance and corruption? I consider the measures you mentioned as merely a deceit and fraud. This decision was not adopted as a result of contemplation and understanding or on the basis of planning. This is merely a temporary measure whereby the administration has tried to fool the people.

Question: Recently, Prime Minister Junejo said that his administration, through concrete measures to reinstate and consolidate democracy, has restored all the basic rights of the people. Furthermore, political parties enjoy complete freedom to function. What are your comments on this statement?

Answer: In order to demonstrate to the world that martial law has ended and democracy restored, Prime Minister Junejo often issues statements such as that the dark night of martial law is over and that the darkness that defaced Pakistan has been washed away. As to the restoration of basic rights, I ask the prime minister whether those who were punished by the martial law courts have acquired the right to appeal in civil court against those punishments. Have the higher courts been delegated the authority to hand down decisions against the illegal and unconstitutional measures of martial law? Obviously, the civil courts have not been granted such authority. What sort of basic rights, therefore, have been restored? He also claims that political parties have been granted freedom to function. I ask him whether on the occasion of Independence Day last year he permitted the MRD to hold a meeting in Lahore. Furthermore, is it not a fact that not only was the MRD prevented from holding this meeting, but that the general public who had come to participate in the meeting was given a bloodbath? Those who claim to have restored basic rights made the citizens who had gathered to celebrate the joys of freedom of their beloved country the target of shooting. Twelve people were killed. Even today, in order to hold a meeting political parties have to submit a special request to the deputy commissioners. The deputy commissioners, in accordance with the government's policy, refuse such permission. Therefore, what are the freedoms and basic rights that are available to the political parties and common Pakistani citizens today? It is also claimed that the emergency has been lifted. I do not know whether

currently an emergency is legally in force or not. In practice, however, the situation is such that even now the administration arrests and imprisons anyone it wishes. The police, climbing over walls in dark of night, gain entry into the homes of sinless and innocent citizens. At Jiwani in Baluchistan, citizens were made targets of violence because they demanded electricity, water and other basic facilities. Can these actions be interpreted as the restoration of basic rights? Even now, various politicians are restricted from visiting certain districts and provinces. You, too, are well aware of the fate of any newspaper that writes against the administration, even today. Similarly, the restriction remains on the publication of newspapers and magazines that were banned during the martial law era. I ask, therefore, what sort of freedoms of citizenship have been reinstated.

Question: What would you say with regard to the present administration's claim that compared to the rule of the deceased Mr. Bhutto, there is more democracy existing in the current era and that citizens are enjoying more basic rights?

Answer: In my view, the same things are happening now that happened during the People's Party era. Only the people being punished have changed.

9779/9738

AGA KHAN'S ROLE IN HEALTH, DEVELOPMENT SURVEYED

46200006 Hamburg DIE ZEIT in German 23 Oct 87 p 47

[Article by Rudolf Kahlen: "A Princely Social Helper. Karim Aga Khan Applies Ideas Promoted by German Reformer Raiffeisen to Take Care of Followers"]

[Text] It simply had to work. Although, in the beginning, the engineers were doubtful, there was nothing that could sway the villagers. The irrigation canal would not be built along the rock face; rather, it had to be a tunnel that would carry the glacier water directly to the valley. In November 1983, the men, equipped with pickaxes, shovels, and dynamite, started working. They dug a 384-meter-long, 6-foot-deep hole through the mountain.

Today, the area around the village is green. Poplars and willow trees are growing there, apricot, cherry, and apple trees are blossoming in the spring, and grain and potatoes are being harvested. The 60 families living at Soust used to work a mere 38 hectares of land; soon their holdings will have trebled.

Soust is a small mountain village in northern Pakistan. Its altitude is 2,895 meters, and it is situated directly at the Korakorum Highway which winds its way through the Hunza Valley ravines, only 50 kms from the Chinese border. A mere 10 years ago, Soust was cut off from the outside world, like all other villages north of the Himalayas. Only a narrow path, which Marco Polo reportedly traveled in the 13th century, led southward to the interior of the country. Not until 1978 was the highway completed with Chinese assistance. Since then, the small village has started trading.

All of Soust's 461 inhabitants are Ismailites. They call themselves Shiites and their prophet is Mohammed. The worldwide membership of the Ismaili sect is estimated at 12 million-15 million. Their religious leader--called Imam--is Karim Aga Khan, whom they consider the direct descendant of Mohammed. Nowhere in the world are the Ismailites in the majority--except for some communities in northern Pakistan. This is why the Imam is paying special attention to this poor region, which is the size of Ireland. Since December 1982, he has been funding in that region a rural development assistance program, known as AKRSP.

This is nothing out of the ordinary for Aga Khan: in the Islamic tradition, one of the responsibilities of an Imam is to look after the well-being of his followers. He has the necessary funds to do so. His grandfather Aga Khan 3rd. had himself weighed by his followers in gold (1935), diamonds (1945), and platinum (1955). The diamonds alone earned him DM6 million, which he spend on the construction of schools and hospitals in Africa and Asia.

So far, Aga Khan has not had himself weighed; he doesn't need to. The Ismailites now pay him a portion of their income, as the Germans do when they pay their church tax. The Imam does not use the money to finance his luxurious lifestyle and to augment his wealth; instead, most of the money he receives from his followers benefits the Aga Khan Foundation, which also gets financial support from international relief organizations. In 1986 alone, the fund spent DM108 million on development projects. Its so-far largest project is the Aga Khan University in Pakistan's port city of Karachi which, after its completion in 1983 at a cost of DM500 million, now trains future medical doctors and nurses. No other private foundation is said to dispense more money for development aid.

The Aga Khan Health Service, one of the largest of its kind in the Third World, maintains five hospitals, 200 first-aid stations, and a number of pharmacies. Last year, DM72 million were available to it. The DM18 million budget of the Aga Khan Education Service, which takes care of schools, looks rather modest in comparison.

To the Imam, economic development of the Third World is just as important as social work. This is why he has set up the Aga Khan Fund for Economic Development, which is headquartered in Geneva. It is from there that the Fund's holdings in banks in Tunisia, Madagascar and Tanzania, its interests in insurance companies in Kenya and Pakistan and in quite a few hotels and industrial enterprises in Africa and Asia are being managed.

The Ismailite prince summarizes the philosophy of his economic development program as follows, "We believe that capital participations are more desirable than the extension of credit." This is because it does not only reduce the debt burden of the Third World, but the investor gets much more involved in the respective undertaking; hence economic success is more likely and more technology will be transferred.

Pakistan provides a prime example of the importance of this kind of development assistance. That country, wedged between India and Afghanistan, is among the 20 poorest nations in the world. Almost half of its population lives below the poverty line; the annual average per-capita income is about DM600.

Since the partition of British India in 1947 and subsequent creation of the Islamic Republic of Pakistan, the young nation has not yet enjoyed steady growth. Economically, the state started at the zero level. Because the experienced Hindu merchants went to India, hardly any industry was left; the road system was in terrible shape; and the energy supply was equally bad. For a long time, political squabbling between the orthodox and liberal Moslems created uncertainty. The military seized power three times in Pakistan, most recently under General Zia-ul-Haq, the country's current President.

There has been no change for the better so far in the existing well-cemented balance of economic power. A mere 22 families control the economy and they hardly take an interest in the misery of the masses of have-nots. This is most evident in Karachi and its 9 million inhabitants. In a suburb of villas such as in Clifton, the upper class lives behind high walls, while in a slum like Essa Nagri, almost 10,000 people are forced to live in extremely crowded circumstances.

Asif Aslam is working there with medical students and student nurses of the Aga Khan University's health center three days a week. The doctor is sufficiently familiar with the main problems of the 10,000 people living in that area, "There is a lack of hygiene and there is malnutrition." The women do their laundry in filthy canal water, the children bathe in it, and the cattle drinks from it. Therefore they not only need to be vaccinated, but health education also plays a decisive role. Meanwhile, two-thirds of the children under the age of five have been vaccinated. In addition, by the end of November of this year, Asif Aslam--assisted by 12 aides--wants to teach 350 of the 1,300 families living there about preventive health care.

However, all this is of very little use because it only addresses the symptoms. Today, 40 percent of Karachi's population lives in slums. And another 250,000 people a year come to the port city because this is where almost half of the country's industry is located. These people move from the country to the large city, hoping to find bread and work. This migration away from the land is one of Pakistan's biggest problems. Rural development assistance is supposed to solve it.

The rural development assistance program for northern Pakistan, initiated by Karim Aga Khan in 1982, addresses these needs. The assessment of World Bank experts in a recent study was: "There are only a few programs that have a similar positive impact." For the first four years, the Aga Khan aides on this project worked with a DM15 million budget. The program received additional financial support from several international aid organizations. It was possible to start some 400 projects, all relatively small and manageable. The top requirement was and continues to be to help the people so that they can help themselves.

Regardless of whether it is an irrigation canal--as at Soust--or a connecting road, a hydrogenerator or supply tank, project proposals never come from the top as in so many other standardized aid programs. Rather, the villagers are required to set up a village organization which submits the proposals. As an incentive, the Aga Khan staff suggested that the first joint project be funded by the organization.

In return, the community in question is committed to provide the workers. At Soust, all men participated. And all of them were paid wages, which most of them put into savings. "For the majority," AKRSP chief Shoaib Sultan Khan said, "it was something completely new to deposit their rupee earnings in a bank." Yet this is the only way to build an iron reserve which is so important for the future.

Once the irrigation canal is completed, the new land must be cultivated; however, fertilizer and seeds are expensive. To cover these expenses, an interest-free loan is available. On the other hand, large purchases, e.g., a tractor, are only financed through credits. Interest rates are only half of what they are at the state banks.

"At the beginning of our work," Shoaib Sultan Khan remembers, "the villagers had what we call 'the taker's mentality.' They simply wanted to get money--for what purpose, that was of minor importance." In the meantime, there are signs that they are increasingly taking the initiative. "Although the village organizations continue to need money, in most instances they have a very good

idea of what they want to use it for." It will undoubtedly take some time until the local population is able to really help itself.

Nevertheless, a big step has been taken. No doubt, for Sultan Khan and his aides, pushing this work seems to be paying off, since they had a clear idea of what their goal was since the very beginning. They did not want to tell the peasants--"in line with the Americans model"--that the best way to get money is to fend for oneself. Neither did they like the "socialist model," where the village community owns everything and the individual nothing. Rather, their model has been and remains Friedrich Wilhelm Raiffeisen, "the German social reformer who, in the 19th century, founded the first rural self-help organizations" that later developed into credit cooperatives.

At Garelth, a village some kilometers south of Soust in the Hunza Valley, each of the 56 families has about a hectare of land to cultivate for its own use. Corn, grains, and potatoes are harvested year after year on the terraced fields. Last spring, when AKRSP agricultural expert Zahur Alam suggested to the local population that it might be a good idea to grow vegetables on the village's communal field, Gari Khan, president of the village organization, was not the only one who laughed. Everybody thought that the idea was quite funny, because cabbage, tomatoes, and lettuce had never been grown in the village. But finally, the women began to work on preparing the common land. Since then, the first crop has been harvested. The men were able to sell the vegetables at a good profit to the small hotels and guest-houses in nearby Karima spa. Next year--and this already has been agreed on--vegetables will be grown on several terraces.

How fast the local population is learning was demonstrated when the matter of raising the selling price of apricots, traditionally grown in that region, came up. In the past, they would spread out the apricots in the sun on the flat roofs of their mud huts for drying. But now, the fruit is being dried where it is protected from dust, then sulfurized to keep its attractive yellow-orange color, and preserved. And finally, the women seal the dried fruit in plastic bags, each holding 500 grams. Today the men can ask for DM2.50 a kilogram.

The neatly wrapped apricots are also available at the Serena Hotel in the mountain city of Gilgit, 100 kilometers away. Like three other hotels in Pakistan, it is owned by the Aga Khan Fund for Economic Development and its primary purpose is to stimulate tourism. This attracts money to the poor region.

Surely the peasants in the Gilgit area will also benefit from tourists coming to this remote mountainous region to climb the 8,000 meter mountains or drive their jeeps on the 800-km-long Karakorum Highway in the direction of China. Yet the disadvantages of tourism are also becoming evident. More and more frequently, the women and girls in their colorful dresses have to defend themselves against picture-taking by strangers.

As a rule, women speak only the local dialect and, unlike men, they do not know Urdu, Pakistan's official language besides English. In these remote mountain regions, 98 out of 100 women are illiterate, whereas almost every fifth man knows how to read and write. This is because boys are, at a minimum, sent to the state's elementary and secondary schools, while girls are not. In the

Gilgit district, their only opportunity for education is at one of Aga Khan's 120 schools.

The top 240 girls are permitted to attend the highschool for girls in Karimabad. Asked what they would like to do later on, the students picked primarily three professions: they want to become pilots, teachers, or nurses. Except for flying, these are entirely realistic professional goals. If the girls should indeed return as teachers or nurses to where they came from--to Soust perhaps or to Garelth--they would perform an important job. There is no longer any doubt about that today.

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